



# Journal of the House

State of Indiana

115th General Assembly

First Regular Session

Twenty-fourth Meeting Day

Friday Morning

February 23, 2007

The House convened at 10:00 a.m. with Speaker B. Patrick Bauer in the Chair.

The Speaker stated, "Having conferred with the Attorney General and no objection raised, the temporary House policy while the prayer lawsuit is pending in the courts will be a scripted prayer."

The Speaker read a prayer for guidance and insight (printed January 8, 2007).

The Pledge of Allegiance to the Flag was led by Representative Eric A. Koch.

The Speaker ordered the roll of the House to be called:

Austin	Gutwein
Avery	E. Harris
Bardon	T. Harris
Battles	Herrell
Behning	Hinkle
Bell	Hoy
Bischoff ☐	Kersey
Borders	Klinker
Borror	Knollman
Bosma	Koch
C. Brown	Kuzman
T. Brown	L. Lawson
Buck	Lehe
Buell	Leonard
Burton	Lutz
Candelaria Reardon	Mays
Cheatham ☐	McClain
Cheney	Micon
Cherry	Moses
Cochran	Murphy ☐
Crawford	Neese
Crooks	Niezgodski
Crouch	Noe ☐
Davis	Orentlicher
Day	Oxley
Dembowski	Pelath
Denbo	Pflum
Dermody	Pierce
Dickinson	Pond
Dobis	Porter
Dodge	Reske
Duncan	Richardson
Dvorak	Ripley
Eberhart	Robertson
Elrod	Ruppel
Espich	Saunders ☐
Foley	M. Smith
Friend	V. Smith
Frizzell	Soliday
Fry	Stemler
GiaQuinta	Stevenson
Goodin	Stilwell
Grubb	Stutzman

Summers  
Thomas  
Thompson  
Tincher  
Torr  
Turner  
Tyler

Ulmer ☐  
VanHaaften ☐  
Walorski  
Welch  
Whetstone  
Wolkins ☐  
Mr. Speaker

Roll Call 242: 92 present; 8 excused. The Speaker announced a quorum in attendance. [NOTE: ☐ indicates those who were excused.]

## HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Monday, February 26, 2007, at 9:00 a.m.

ROBERTSON

Motion prevailed.

## HOUSE BILLS ON SECOND READING

### House Bill 1837

Representative Pelath called down House Bill 1837 for second reading. The bill was read a second time by title.

## HOUSE MOTION (Amendment 1837-1)

Mr. Speaker: I move that House Bill 1837 be amended to read as follows:

Page 1, line 3, after "(a)" insert "**This section does not apply to a licensed owner who begins constructing a new riverboat before July 1, 2007.**

**(b)".**

Page 1, line 7, delete "(b)" and insert "(c)".

Page 1, line 9, delete "(a)." and insert "**(b)."**

Page 1, line 10, delete "(c)" and insert "**(d)".**

Page 1, line 10, delete "may not approve an application submitted" and insert "**shall review each phase of the licensed owner's proposed construction project and the location at which the licensed owner will complete each phase of the proposed construction project. The commission may not approve any phase of the proposed construction project that will be completed outside Indiana unless the commission finds that it is technologically or economically unfeasible for the licensed owner to perform the work required to complete that phase of the construction project at an Indiana location.**"

Page 1, delete lines 11 through 17.

Delete page 2.

Renummer all SECTIONS consecutively.

(Reference is to HB 1837 as printed February 20, 2007.)

PELATH

Motion prevailed.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

HOUSE MOTION  
(Amendment 1837-3)

Mr. Speaker: I move that House Bill 1837 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-33-2-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. "Gambling game" includes any ~~of the following~~ if game approved by the commission as a wagering device:

- (1) Baccarat;
- (2) ~~Twenty-one~~;
- (3) Poker;
- (4) Craps;
- (5) Slot machine;
- (6) Video games of chance;
- (7) Roulette wheel;
- (8) Klondike table;
- (9) Punchboard;
- (10) Faro layout;
- (11) ~~Keno~~ layout;
- (12) Numbers ticket;
- (13) Push card;
- (14) Far ticket;
- (15) Pull tab;
- (16) Big six."

Renumber all SECTIONS consecutively.

(Reference is to HB 1837 as printed February 20, 2007.)

WHETSTONE

Motion prevailed. The bill was ordered engrossed.

### House Bill 1830

Representative Austin called down House Bill 1830 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1830-1)

Mr. Speaker: I move that House Bill 1830 be amended to read as follows:

Page 1, line 1, delete "(a) As used in this".

Page 1, delete lines 2 through 3.

Page 1, line 4, delete "(b) Notwithstanding IC 8-14-14-5, during" and insert "(a) During".

Page 1, line 6, delete, "auditor of the state shall distribute to" and insert "department of state revenue shall deposit with".

Page 1, delete line 7.

Page 1, line 8, delete "investment of the fund" and insert "revenue from the gross retail tax on gasoline that accrues".

Page 1, line 9, delete "distributed" and insert "deposited".

Page 1, line 10, delete "distributions" and insert "deposits".

Page 1, delete lines 13 through 16, begin a new paragraph and insert:

"(b) The amount deposited by the department of state revenue under this SECTION reduces the amount distributed under IC 6-2.5-10-1 to the state general fund."

Page 1, line 17, delete "(d)" and insert "(c)".

Page 1, line 17, delete "interest, premiums,".

Page 2, line 1, delete "and other earnings accruing to the fund" and insert "amount deposited under this SECTION".

Page 3, line 3, delete "(b)" and insert "(a)".

(Reference is to HB 1830 as printed February 20, 2007.)

DAVIS

Upon request of Representatives Davis and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 243: yeas 44, nays 44. Motion failed. The bill was ordered engrossed.

### House Bill 1824

Representative Pelath called down House Bill 1824 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1824-1)

Mr. Speaker: I move that House Bill 1824 be amended to read as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 3.

Page 4, delete lines 1 through 9.

Page 4, line 10, delete "2." and insert "1."

Page 4, line 35, delete "The" and insert "Upon the request of the county executives of three (3) or more counties that are located in an electric utility's service area, the".

Page 6, delete lines 5 through 6.

Page 6, line 7, delete "(4)" and insert "(3)".

Renumber all SECTIONS consecutively.

(Reference is to HB 1824 as printed February 20, 2007.)

PELATH

Motion prevailed. The bill was ordered engrossed.

On request of Representative Bosma, the Speaker ordered the roll of the House of be called to determine the presence or absence of a quorum. Roll Call 244: 89 present.

### House Bill 1816

Representative V. Smith called down House Bill 1816 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1816-2)

Mr. Speaker: I move that House Bill 1816 be amended to read as follows:

Page 1, line 12, delete "This subsection applies only to an individual who has taken" and insert "An individual may qualify for a testing waiver if the following criteria are met:

(1) The individual has:

(A) taken the examination described in subsection (a) at least two (2) times within the last three (3) years and has failed to demonstrate proficiency in a test area by not more three (3) points.

(B) successfully completed all appropriate content area (Praxis II) exams;

(C) received a bachelor's degree or the equivalent with a grade point average of at least three (3.0) on a four (4.0) point scale from an accredited institution of higher education;

(D) received a grade point average of at least (3.2) on a four (4.0) point scale from an accredited institution of higher education in the content area to be listed on the individual's license; and

(E) received a composite score of at least five hundred twenty-three (523) on the Praxis I exam.

(2) The individual:

(A) can verify successfully completing a student teaching experience by submitting to the professional standards division an original letter on university or college letterhead from either the chair of the student teaching department where the individual attended an approved teaching program or the supervising teacher where the individual gained student teaching experience; and

(B) successfully completed all other requirements of the teaching program as verified by the Indiana licensing advisory or equivalent from an out of state institution.

(3) The individual submits to the professional standards board two (2) letters of recommendation or two (2) support letters from either:

(A) representatives of the institution of higher education where the individual attended an approved teaching program; or

(B) individuals who represent preschool through

**grade 12 who are familiar with the work of the individual seeking licensure."**

Page 1, delete lines 10 through 17.

Page 2, delete lines 1 through 4.

Re-number all SECTIONS consecutively.

(Reference is to HB 1816 as printed February 20, 2007.)

V. SMITH

Motion prevailed.

HOUSE MOTION  
(Amendment 1816-1)

Mr. Speaker: I move that House Bill 1816 be amended to read as follows:

Page 2, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 2. IC 20-28-5-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 15. (a) This section applies to an individual who is:**

**(1) licensed under this chapter, and**

**(2) employed by a governing body that chooses to establish a testing program under this section.**

**(b) Not more than one (1) time during each five (5) year period, an individual may request to be tested by a written examination to demonstrate the individual's increasing level of proficiency in the subject areas in which the individual teaches.**

**(c) An individual who successfully demonstrates the individual's proficiency under subsection (b) is entitled to receive one thousand dollars (\$1,000) each year for the five (5) years following the individual's demonstration of proficiency, paid to the individual by the governing body.**

**(d) The advisory board shall recommend to the state board for adoption suitable examinations that test varying levels of teacher proficiency."**

Re-number all SECTIONS consecutively.

(Reference is to HB 1816 as printed February 20, 2007.)

T. HARRIS

On the motion of Representative C. Brown, the previous question was called. Upon request of Representatives T. Harris and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 245: yeas 44, nays 48. Motion failed. The bill was ordered engrossed.

### House Bill 1797

Representative Porter called down House Bill 1797 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1797-1)

Mr. Speaker: I move that House Bill 1797 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-30-4-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 7. Notwithstanding any other provision of this chapter, a student's guidance counselor is required to make only a reasonable effort to consult with the student's parent concerning the student's career plan before an annual review of the student's career plan under section 6 of this chapter."**

Re-number all SECTIONS consecutively.

(Reference is to HB 1797 as printed February 20, 2007.)

THOMPSON

Motion prevailed. The bill was ordered engrossed.

### House Bill 1777

Representative Summers called down House Bill 1777 for

second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1777-1)

Mr. Speaker: I move that House Bill 1777 be amended to read as follows:

Page 1, after line 14, begin a new paragraph and insert:

"SECTION 3. IC 12-13-12-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 5. (a) At the first meeting of the commission each year, the members shall elect:**

**(1) one (1) member to be the commission's chairperson; and**

**(2) one (1) member to be the commission's vice chairperson.**

**(b) A vacancy in the office of chairperson or vice chairperson shall be filled by vote of the remaining members. The term of office of a person chosen to fill a vacancy expires at the first meeting of the commission the following year.**

**(c) The commission shall appoint an:**

**(1) executive director; and**

**(2) assistant executive director;**

**of the commission.**

SECTION 4. IC 12-13-12-7, AS AMENDED BY P.L.145-2006, SECTION 77, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 7. The division of family resources shall provide staff and administrative support to the commission based upon the request of the:**

**(1) commission; or**

**(2) executive director of the commission."**

(Reference is to HB 1777 as printed February 20, 2007.)

V. SMITH

Motion prevailed. The bill was ordered engrossed.

### House Bill 1767

Representative V. Smith called down House Bill 1767 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1767-1)

Mr. Speaker: I move that House Bill 1767 be amended to read as follows:

Page 2, between lines 27 and 28, begin a new line blocked left and insert:

**"If the owner of property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection."**

(Reference is to HB 1767 as printed February 20, 2007.)

THOMPSON

Motion prevailed. The bill was ordered engrossed.

### House Bill 1753

Representative Summers called down House Bill 1753 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

### House Bill 1731

Representative GiaQuinta called down House Bill 1731 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1731-1)

Mr. Speaker: I move that House Bill 1731 be amended to read as follows:

Page 3, line 17, delete "A formalized interlocal agreement".

Page 3, delete lines 18 through 19.

(Reference is to HB 1731 as printed February 20, 2007.)

BUCK

Motion prevailed. The bill was ordered engrossed.

### House Bill 1622

Representative Oxley called down House Bill 1622 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1622-1)

Mr. Speaker: I move that House Bill 1622 be amended to read as follows:

Page 1, line 12, delete "one dollar and seventy-seven cents (\$1.77);" and insert "**two dollars and seventy-two cents (\$2.72);**".

Page 3, line 26, delete "one".

Page 3, line 27, delete "dollar and seventy-seven cents (\$1.77)." and insert "**two dollars and seventy-two cents (\$2.72).**".

Page 3, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 3. IC 6-3-1-3.5, AS AMENDED BY P.L.184-2006, SECTION 3, AND AS AMENDED BY P.L.162-2006, SECTION 24, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(3) Subtract one thousand **two hundred** dollars (~~(\$1,000); (\$1,200)~~), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand **two hundred** dollars (~~(\$1,000); (\$1,200)~~).

(4) Subtract: ~~one thousand dollars (\$1,000) for:~~

(A) **one thousand two hundred dollars (\$1,200)** for each of the exemptions provided by Section 151(c) of the Internal Revenue Code;

(B) **one thousand dollars (\$1,000)** for each additional amount allowable under Section 63(f) of the Internal Revenue Code; and

(C) **one thousand two hundred dollars (\$1,200)** for the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.

(5) Subtract:

(A) *for taxable years beginning after December 31, 2004*, one thousand five hundred dollars (\$1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code *for taxable years beginning after December 31, 1996 (as effective January 1, 2004)*; and

(B) five hundred dollars (\$500) for each additional amount allowable under Section 63(f)(1) of the Internal

Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars (\$40,000).

This amount is in addition to the amount subtracted under subdivision (4).

(6) Subtract an amount equal to the lesser of:

(A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or

(B) two thousand dollars (\$2,000).

(7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.

(8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.

(9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

(11) Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code if the taxable year began before January 1, 1985.

(12) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(13) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(14) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(15) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(16) For taxable years beginning after December 31, 1999, subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(17) Subtract an amount equal to the lesser of:

(A) for a taxable year:

(i) including any part of 2004, the amount determined under subsection (f); and

(ii) beginning after December 31, 2004, two thousand five hundred dollars (\$2,500); or

(B) the amount of property taxes that are paid during the

taxable year in Indiana by the individual on the individual's principal place of residence.

(18) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(19) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(20) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(21) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(22) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

*(9) Add to the extent required by IC 6-3-2-20 the amount of intangible expenses (as defined in IC 6-3-2-20) and any directly related intangible interest expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes.*

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the

adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(f) This subsection applies only to the extent that an individual paid property taxes in 2004 that were imposed for the March 1, 2002, assessment date or the January 15, 2003, assessment date. The maximum amount of the deduction under subsection (a)(17) is equal to the amount determined under STEP FIVE of the following formula:

STEP ONE: Determine the amount of property taxes that the taxpayer paid after December 31, 2003, in the taxable

year for property taxes imposed for the March 1, 2002, assessment date and the January 15, 2003, assessment date.

STEP TWO: Determine the amount of property taxes that the taxpayer paid in the taxable year for the March 1, 2003, assessment date and the January 15, 2004, assessment date.

STEP THREE: Determine the result of the STEP ONE amount divided by the STEP TWO amount.

STEP FOUR: Multiply the STEP THREE amount by two thousand five hundred dollars (\$2,500).

STEP FIVE: Determine the sum of the STEP FOUR amount and two thousand five hundred dollars (\$2,500)."

Page 4, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE JANUARY 1, 2008] IC 6-3-1-3.5, as amended by this act, applies to taxable years beginning after December 31, 2007."

Renumber all SECTIONS consecutively.

(Reference is to HB 1622 as printed February 20, 2007.)

THOMPSON

After discussion, Representative Thompson withdrew the motion.

There being no further amendments, the bill was ordered engrossed.

### House Bill 1617

Representative Orentlicher called down House Bill 1617 for second reading. The bill was read a second time by title.

#### HOUSE MOTION

(Amendment 1617-2)

Mr. Speaker: I move that House Bill 1617 be amended to read as follows:

Page 3, after line 17, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE JULY 1, 2007] (a) As used in this SECTION, "committee" refers to the sentencing policy study committee established by subsection (c).

(b) The general assembly finds that a comprehensive study of sentencing laws and policies is desirable in order to:

(1) ensure that sentencing laws and policies protect the public safety;

(2) establish fairness and uniformity in sentencing laws and policies;

(3) determine whether incarceration or alternative sanctions are appropriate for various categories of criminal offenses; and

(4) maximize cost effectiveness in the administration of sentencing laws and policies.

(c) The sentencing policy study committee is established to evaluate sentencing laws and policies as they relate to:

(1) the purposes of the criminal justice and corrections systems;

(2) the availability of sentencing options; and

(3) the inmate population in department of correction facilities.

If, based on the committee's evaluation under this subsection, the committee determines changes are necessary or appropriate, the committee shall make recommendations to the general assembly for the modification of sentencing laws and policies and for the addition, deletion, or expansion of sentencing options.

(d) The committee shall do the following:

(1) Evaluate the existing classification of criminal offenses into felony and misdemeanor categories. In determining the proper category for each felony and misdemeanor, the committee shall consider, to the extent they have relevance, the following:

(A) The nature and degree of harm likely to be caused by the offense, including whether the offense involves property, irreplaceable property, a person,

- a number of persons, or a breach of the public trust.
- (B) The deterrent effect a particular classification may have on the commission of the offense.
- (C) The current incidence of the offense in Indiana.
- (D) The rights of the victim.

(2) Recommend structures to be used by a sentencing court in determining the most appropriate sentence to be imposed in a criminal case, including any combination of imprisonment, probation, restitution, community service, or house arrest. The committee shall also consider the following:

- (A) The nature and characteristics of the offense.
- (B) The severity of the offense in relation to other offenses.
- (C) The characteristics of the defendant that mitigate or aggravate the seriousness of the criminal conduct and the punishment deserved for that conduct.
- (D) The defendant's number of prior convictions.
- (E) The available resources and capacity of the department of correction, local confinement facilities, and community based sanctions.
- (F) The rights of the victim.

The committee shall include with each set of sentencing structures an estimate of the effect of the sentencing structures on the department of correction and local facilities with respect to both fiscal impact and inmate population.

(3) Review community corrections and home detention programs for the purpose of:

- (A) standardizing procedures and establishing rules for the supervision of home detainees; and
- (B) establishing procedures for the supervision of home detainees by community corrections programs of adjoining counties.

(4) Determine the long range needs of the criminal justice and corrections systems and recommend policy priorities for those systems.

(5) Identify critical problems in the criminal justice and corrections systems and recommend strategies to solve the problems.

(6) Assess the cost effectiveness of the use of state and local funds in the criminal justice and corrections systems.

(7) Recommend a comprehensive community corrections strategy based on the following:

- (A) A review of existing community corrections programs.
- (B) The identification of additional types of community corrections programs necessary to create an effective continuum of corrections sanctions.
- (C) The identification of categories of offenders who should be eligible for sentencing to community corrections programs and the impact that changes to the existing system of community corrections programs would have on sentencing practices.
- (D) The identification of necessary changes in state oversight and coordination of community corrections programs.
- (E) An evaluation of mechanisms for state funding and local community participation in the operation and implementation of community corrections programs.
- (F) An analysis of the rate of recidivism of clients under the supervision of existing community corrections programs.

(8) Propose plans, programs, and legislation for improving the effectiveness of the criminal justice and corrections systems.

(9) Evaluate the use of faith based organizations as an alternative to incarceration.

(10) Study issues related to sex offenders, including:

- (A) lifetime parole;
- (B) GPS or other electronic monitoring;
- (C) a classification system for sex offenders;
- (D) recidivism; and
- (E) treatment.

(11) Evaluate the current statutes concerning ignition interlock devices and study issues related to ignition interlock devices and other alternative technologies, such as secured continuous remote alcohol monitors, that a court may order as a condition to drive for a person convicted of operating a vehicle while intoxicated.

(12) Propose legislation:

- (A) to improve the current statutes concerning ignition interlock devices; and
- (B) if necessary, permitting courts to utilize other alternative technologies, such as secured continuous remote alcohol monitors, that a court may order as a condition to drive for a person convicted of operating a vehicle while intoxicated.

(e) The committee may study other topics assigned by the legislative council or as directed by the committee chair. The committee may meet as often as necessary.

(f) The committee consists of twenty (20) members appointed as follows:

- (1) Four (4) members of the senate, not more than two (2) of whom may be affiliated with the same political party, to be appointed by the president pro tempore of the senate.
- (2) Four (4) members of the house of representatives, not more than two (2) of whom may be affiliated with the same political party, to be appointed by the speaker of the house of representatives.
- (3) The chief justice of the supreme court or the chief justice's designee.
- (4) The commissioner of the department of correction or the commissioner's designee.
- (5) The director of the Indiana criminal justice institute or the director's designee.
- (6) The executive director of the prosecuting attorneys council of Indiana or the executive director's designee.
- (7) The executive director of the public defender council of Indiana or the executive director's designee.
- (8) One (1) person with experience in administering community corrections programs, appointed by the governor.
- (9) One (1) person with experience in administering probation programs, appointed by the governor.
- (10) Two (2) judges who exercise juvenile jurisdiction, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the governor.
- (11) Two (2) judges who exercise criminal jurisdiction, not more than one (1) of whom may be affiliated with the same political party, to be appointed by the governor.
- (12) One (1) board certified psychologist or psychiatrist who has expertise in treating sex offenders, appointed by the governor to act as a nonvoting advisor to the committee.

(g) The chairman of the legislative council shall appoint a legislative member of the committee to serve as chair of the committee. Whenever there is a new chairman of the legislative council, the new chairman may remove the chair of the committee and appoint another chair.

(h) If a legislative member of the committee ceases to be a member of the chamber from which the member was appointed, the member also ceases to be a member of the committee.

(i) A legislative member of the committee may be removed at any time by the appointing authority who appointed the legislative member.

(j) If a vacancy exists on the committee, the appointing authority who appointed the former member whose position is vacant shall appoint an individual to fill the vacancy.

(k) The committee shall submit:

(1) an interim report of the results of its study to the legislative council before November 1, 2008; and

(2) a final report of the results of its study to the legislative council before November 1, 2010.

The interim and final reports must be in an electronic format under IC 5-14-6.

(l) The Indiana criminal justice institute shall provide staff support to the committee.

(m) Each member of the committee is entitled to receive the same per diem, mileage, and travel allowances paid to individuals who serve as legislative and lay members, respectively, of interim study committees established by the legislative council.

(n) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including the final report.

(o) Except as otherwise specifically provided by this act, the committee shall operate under the rules of the legislative council. All funds necessary to carry out this act shall be paid from appropriations to the legislative council and legislative services agency.

(p) This SECTION expires December 31, 2010."

(Reference is to HB 1617 as printed February 20, 2007.)

FOLEY

Motion prevailed.

#### HOUSE MOTION

(Amendment 1617-1)

Mr. Speaker: I move that House Bill 1617 be amended to read as follows:

Page 3, line 5, delete "described in subdivision (1)." and insert **"who is the subject of an order described in subdivision (1)(A)."**

Page 3, line 7, delete "described in subdivision (1)," and insert **"who is the subject of an order described in subdivision (1)(A)."**

(Reference is to HB 1617 as printed February 20, 2007.)

ORENTLICHER

Motion prevailed. The bill was ordered engrossed.

#### House Bill 1074

Representative Day called down House Bill 1074 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

#### House Bill 1820

Representative Klinker called down House Bill 1820 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

#### House Bill 1566

Representative Crawford called down House Bill 1566 for second reading. The bill was read a second time by title.

#### HOUSE MOTION

(Amendment 1566-1)

Mr. Speaker: I move that House Bill 1566 be amended to read as follows:

Page 2, line 19, strike "groups, as defined by 13 CFR 124.103." and insert **"groups."**

(Reference is to HB 1566 as printed February 20, 2007.)

CRAWFORD

After discussion, Representative Crawford withdrew the motion.

There being no further amendments, the bill was ordered engrossed.

#### House Bill 1489

Representative Cheney called down House Bill 1489 for second reading. The bill was read a second time by title.

#### HOUSE MOTION

(Amendment 1489-1)

Mr. Speaker: I move that House Bill 1489 be amended to read as follows:

Page 1, line 3, after "Sec. 9." insert **"(a)".**

Page 1, line 15, after "must" delete ":".

Page 1, line 15, reset in roman "be:".

Page 1, line 16, delete "be".

Page 1, line 16, reset in roman "and".

Page 1, line 17, delete "be".

Page 2, line 1, delete ";" and insert ".".

Page 2, line 1, delete "and".

Page 2, delete lines 2 through 8, begin a new paragraph, and insert:

**"(b) The notice in subsection (a)(2) must include a written statement, which:**

**(1) may be developed in executive session; and**

**(2) is not a public document;**

**giving the reasons for the nonrenewal of the teacher's contract.**

**(c) For reasons other than a reduction in force, the notice in subsection (a)(2) must inform the teacher that, not later than ten (10) days after the teacher's receipt of the notice, the teacher may request a conference under section 10 of this chapter.**

**(d) If the reason for nonrenewal is reduction in force, the teacher may request a conference as provided in section 10 of this chapter."**

Page 2, strike lines 9 through 16, begin a new paragraph, and insert:

**"SECTION 2. IC 20-28-7-10, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) A teacher who receives notice of consideration of the nonrenewal of the teacher's contract under section 9 of this chapter may request a conference under this section.**

**(b) A conference shall be held:**

**(1) with the governing body; or**

**(2) at the direction of the governing body, with the superintendent of the school corporation or the superintendent's designee;**

**not more than ten (10) days after the day the governing body receives a teacher's request for a conference. If the first conference is not with the governing body, the teacher may request a second conference, which must be held with the governing body at a time mutually agreeable to both parties and not more than twenty (20) days after the day the governing body receives the request for a second conference, or before the end of the school year, whichever is earlier.**

**(c) The governing body may, in addition to a conference under this section, require that the superintendent of the school corporation or the superintendent's designee and the teacher summarize in writing the position of each party with respect to the continuation of the contract.**

**(d) At a conference under this section:**

**(1) the governing body, the superintendent of the school corporation, or the superintendent's designee shall provide full and complete information supporting the reasons given for noncontinuance; and**

**(2) the teacher shall provide any information demonstrating**



that noncontinuance of the contract is improper.

(e) A conference under this section with the governing body shall be in executive session unless the teacher requests a public conference. The teacher may have a representative at any conference.

(f) The governing body shall vote on the continuation of the teacher's contract not more than ten (10) days after a conference under this section."

(Reference is to HB 1489 as printed February 20, 2007.)

CHENEY

Motion prevailed. The bill was ordered engrossed.

## PROTEST

We, the House Republican Caucus, protest the actions of the House Democrat majority regarding amendment 1 to House Bill 1830, as is our right under the Indiana Constitution, Article 4, Section 26 and to have such protest with the accompanying reasons for dissent entered into the House Journal. When House Bill 1830, Amendment 1 was offered for a roll call vote, State Representative David Cheatham was recorded as voting "nay." Representative Cheatham was not present in the Chamber, indeed, was not even present in Marion County at the time. This was a direct violation of House Rule 50, which states:

Voting for Another. No member shall vote for another member. In addition to such penalties as may be prescribed by law, any member who votes or attempts to vote for another member may be punished in such manner as the House may determine.

Furthermore, after the vote was duly recorded and made a public of the public record, the roll call vote was altered, in violation of House Rule 75, which states:

Change of Voting Records. The roll call as recorded on the recording equipment shall not be altered or changed in any manner, by any person, except by a constitutional majority upon written petition setting forth the reasons for the change of the recorded vote. The petition and the action thereon shall be entered in the Journal.

The gross violation of House Rules constitutes an egregious abuse of power that is now becoming part of the regular practice of the House Democrat majority.

BOSMA  
WHETSTONE

The House recessed until the fall of the gavel.

## RECESS

The House reconvened at 1:35 p.m. with the Speaker in the Chair.

Representative Saunders and VanHaaften, who had been excused, were present. Representative Pond was excused for the rest of the day.

On request of Representative Whetstone, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 246: 87 present.

## HOUSE BILLS ON SECOND READING

### House Bill 1488

Representative Cheney called down House Bill 1488 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1488-2)

Mr. Speaker: I move that House Bill 1488 be amended to read

as follows:

Delete page 9, begin a new line block indented and insert:

"(9) With respect to injuries occurring on and after July 1, 2007, and before July 1, 2008, for each degree of permanent impairment from one (1) to ten (10), one thousand three hundred forty dollars (\$1,340) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand five hundred forty-five dollars (\$1,545) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), two thousand four hundred seventy-five dollars (\$2,475) per degree; for each degree of permanent impairment above fifty (50), three thousand one hundred fifty dollars (\$3,150) per degree.

(10) With respect to injuries occurring on and after July 1, 2008, and before July 1, 2009, for each degree of permanent impairment from one (1) to ten (10), one thousand three hundred sixty-five dollars (\$1,365) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand five hundred seventy dollars (\$1,570) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), two thousand ~~five~~ **seven** hundred twenty-five dollars (~~\$2,525~~) (**\$2,725**) per degree; for each degree of permanent impairment above fifty (50), three thousand ~~two~~ **seven** hundred dollars (~~\$3,200~~) (**\$3,700**) per degree.

(11) With respect to injuries occurring on and after July 1, 2009, and before July 1, 2010, for each degree of permanent impairment from one (1) to ten (10), one thousand three hundred eighty dollars (\$1,380) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand five hundred eighty-five dollars (\$1,585) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), two thousand ~~six~~ **eight** hundred dollars (~~\$2,600~~) (**\$2,800**) per degree; for each degree of permanent impairment above fifty (50), three thousand ~~three~~ **eight** hundred dollars (~~\$3,300~~) (**\$3,800**) per degree.

(12) With respect to injuries occurring on and after July 1, 2010, for each degree of permanent impairment from one (1) to ten (10), one thousand four hundred dollars (\$1,400) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand six hundred dollars (\$1,600) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), two thousand ~~seven~~ **nine** hundred dollars (~~\$2,700~~) (**\$2,900**) per degree; for each degree of permanent impairment above fifty (50), ~~three~~ **four** thousand ~~five~~ **hundred** dollars (~~\$3,500~~) (**\$4,000**) per degree.

(k) The average weekly wages used in the determination of compensation for permanent partial impairment under subsections (i) and (j) shall not exceed the following:

(1) With respect to injuries occurring on or after July 1, 1991, and before July 1, 1992, four hundred ninety-two dollars (\$492).

(2) With respect to injuries occurring on or after July 1, 1992, and before July 1, 1993, five hundred forty dollars (\$540).

(3) With respect to injuries occurring on or after July 1, 1993, and before July 1, 1994, five hundred ninety-one dollars (\$591).

(4) With respect to injuries occurring on or after July 1, 1994, and before July 1, 1997, six hundred forty-two dollars (\$642).

(5) With respect to injuries occurring on or after July 1, 1997, and before July 1, 1998, six hundred seventy-two dollars (\$672).

(6) With respect to injuries occurring on or after July 1, 1998, and before July 1, 1999, seven hundred two dollars

(\$702).

(7) With respect to injuries occurring on or after July 1, 1999, and before July 1, 2000, seven hundred thirty-two dollars (\$732).

(8) With respect to injuries occurring on or after July 1, 2000, and before July 1, 2001, seven hundred sixty-two dollars (\$762).

(9) With respect to injuries occurring on or after July 1, 2001, and before July 1, 2002, eight hundred twenty-two dollars (\$822).

(10) With respect to injuries occurring on or after July 1, 2002, and before July 1, 2006, eight hundred eighty-two dollars (\$882).

(11) With respect to injuries occurring on or after July 1, 2006, and before July 1, 2007, nine hundred dollars (\$900).

(12) With respect to injuries occurring on or after July 1, 2007, and before July 1, 2008, nine hundred thirty dollars (\$930).

~~(11)~~ **(13)** With respect to injuries occurring on or after July 1, 2008, and before July 1, 2009, nine hundred fifty-four dollars (\$954).

~~(12)~~ **(14)** With respect to injuries occurring on or after July 1, 2009, **and before July 1, 2010**, nine hundred seventy-five dollars (\$975).

**(15) With respect to injuries occurring on or after July 1, 2010, one thousand seven dollars (\$1,007)."**

Page 10, delete lines 1 through 40.

Delete page 13, begin a new line block indented and insert:

"(3) with respect to injuries occurring on and after July 1, 1999, and before July 1, 2000:

(A) not more than seven hundred thirty-two dollars (\$732); and

(B) not less than seventy-five dollars (\$75);

(4) with respect to injuries occurring on and after July 1, 2000, and before July 1, 2001:

(A) not more than seven hundred sixty-two dollars (\$762); and

(B) not less than seventy-five dollars (\$75);

(5) with respect to injuries occurring on and after July 1, 2001, and before July 1, 2002:

(A) not more than eight hundred twenty-two dollars (\$822); and

(B) not less than seventy-five dollars (\$75);

(6) with respect to injuries occurring on and after July 1, 2002, and before July 1, 2006:

(A) not more than eight hundred eighty-two dollars (\$882); and

(B) not less than seventy-five dollars (\$75);

(7) with respect to injuries occurring on and after July 1, 2006, and before July 1, 2007:

(A) not more than nine hundred dollars (\$900); and

(B) not less than seventy-five dollars (\$75);

(8) with respect to injuries occurring on and after July 1, 2007, and before July 1, 2008:

(A) not more than nine hundred thirty dollars (\$930); and

(B) not less than seventy-five dollars (\$75);

(9) with respect to injuries occurring on and after July 1, 2008, and before July 1, 2009:

(A) not more than nine hundred fifty-four dollars (\$954); and

(B) not less than seventy-five dollars (\$75); ~~and~~

(10) with respect to injuries occurring on and after July 1, 2009, **and before July 1, 2010:**

(A) not more than nine hundred seventy-five dollars (\$975); and

(B) not less than seventy-five dollars (\$75); **and**

**(11) with respect to injuries occurring on and after July 1, 2010:**

**(A) not more than one thousand seven dollars (\$1,007); and"**

Page 15, delete lines 2 through 42, begin a new paragraph and insert:

"(s) With respect to any injury occurring on and after July 1, 1994, and before July 1, 1997, the maximum compensation, exclusive of medical benefits, which may be paid for an injury under any provisions of this law or any combination of provisions may not exceed two hundred fourteen thousand dollars (\$214,000) in any case.

(t) The maximum compensation, exclusive of medical benefits, that may be paid for an injury under any provision of this law or any combination of provisions may not exceed the following amounts in any case:

(1) With respect to an injury occurring on and after July 1, 1997, and before July 1, 1998, two hundred twenty-four thousand dollars (\$224,000).

(2) With respect to an injury occurring on and after July 1, 1998, and before July 1, 1999, two hundred thirty-four thousand dollars (\$234,000).

(3) With respect to an injury occurring on and after July 1, 1999, and before July 1, 2000, two hundred forty-four thousand dollars (\$244,000).

(4) With respect to an injury occurring on and after July 1, 2000, and before July 1, 2001, two hundred fifty-four thousand dollars (\$254,000).

(5) With respect to an injury occurring on and after July 1, 2001, and before July 1, 2002, two hundred seventy-four thousand dollars (\$274,000).

(6) With respect to an injury occurring on and after July 1, 2002, and before July 1, 2006, two hundred ninety-four thousand dollars (\$294,000).

(7) With respect to an injury occurring on and after July 1, 2006, and before July 1, 2007, three hundred thousand dollars (\$300,000).

(8) With respect to an injury occurring on and after July 1, 2007, and before July 1, 2008, three hundred ten thousand dollars (\$310,000).

(9) With respect to an injury occurring on and after July 1, 2008, and before July 1, 2009, three hundred eighteen thousand dollars (\$318,000).

(10) With respect to an injury occurring on and after July 1, 2009, **and before July 1, 2010**, three hundred twenty-five thousand dollars (\$325,000).

**(11) With respect to an injury occurring on and after July 1, 2010, three hundred thirty-five thousand six hundred thirteen dollars (\$335,613)."**

Page 16, delete lines 1 through 2.

Page 25, delete lines 9 through 42, begin a new line block indented and insert:

"(9) With respect to disablements occurring on and after July 1, 2007, and before July 1, 2008, for each degree of permanent impairment from one (1) to ten (10), one thousand three hundred forty dollars (\$1,340) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand five hundred forty-five dollars (\$1,545) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), two thousand four hundred seventy-five dollars (\$2,475) per degree; for each degree of permanent impairment above fifty (50), three thousand one hundred fifty dollars (\$3,150) per degree.

(10) With respect to disablements occurring on and after July 1, 2008, and before July 1, 2009, for each degree of permanent impairment from one (1) to ten (10), one thousand three hundred sixty-five dollars (\$1,365) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand five hundred seventy dollars (\$1,570) per degree; for each degree of

permanent impairment from thirty-six (36) to fifty (50), two thousand ~~five seven~~ hundred twenty-five dollars (~~\$2,525~~) (**\$2,725**) per degree; for each degree of permanent impairment above fifty (50), three thousand ~~two seven~~ hundred dollars (~~\$3,200~~) (**\$3,700**) per degree.

(11) With respect to disablements occurring on and after July 1, 2009, and before July 1, 2010, for each degree of permanent impairment from one (1) to ten (10), one thousand three hundred eighty dollars (\$1,380) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand five hundred eighty-five dollars (\$1,585) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), two thousand ~~six eight~~ hundred dollars (~~\$2,600~~) (**\$2,800**) per degree; for each degree of permanent impairment above fifty (50), three thousand ~~three eight~~ hundred dollars (~~\$3,300~~) (**\$3,800**) per degree.

(12) With respect to disablements occurring on and after July 1, 2010, for each degree of permanent impairment from one (1) to ten (10), one thousand four hundred dollars (\$1,400) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand six hundred dollars (\$1,600) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), two thousand ~~seven nine~~ hundred dollars (~~\$2,700~~) (**\$2,900**) per degree; for each degree of permanent impairment above fifty (50), ~~three four~~ thousand ~~five~~ hundred dollars (~~\$3,500~~) (**\$4,000**) per degree.

(m) The average weekly wages used in the determination of compensation for permanent partial impairment under subsections (k) and (l) shall not exceed the following:

(1) With respect to disablements occurring on or after July 1, 1991, and before July 1, 1992, four hundred ninety-two dollars (\$492).

(2) With respect to disablements occurring on or after July 1, 1992, and before July 1, 1993, five hundred forty dollars (\$540).

(3) With respect to disablements occurring on or after July 1, 1993, and before July 1, 1994, five hundred ninety-one dollars (\$591).

(4) With respect to disablements occurring on or after July 1, 1994, and before July 1, 1997, six hundred forty-two dollars (\$642).

(5) With respect to disablements occurring on or after July 1, 1997, and before July 1, 1998, six hundred seventy-two dollars (\$672).

(6) With respect to disablements occurring on or after July 1, 1998, and before July 1, 1999, seven hundred two dollars (\$702).

(7) With respect to disablements occurring on or after July 1, 1999, and before July 1, 2000, seven hundred thirty-two dollars (\$732).

(8) With respect to disablements occurring on or after July 1, 2000, and before July 1, 2001, seven hundred sixty-two dollars (\$762).

(9) With respect to injuries occurring on or after July 1, 2001, and before July 1, 2002, eight hundred twenty-two dollars (\$822).

(10) With respect to injuries occurring on or after July 1, 2002, and before July 1, 2006, eight hundred eighty-two dollars (\$882).

(11) With respect to injuries occurring on or after July 1, 2006, and before July 1, 2007, nine hundred dollars (\$900).

(12) With respect to injuries occurring on or after July 1, 2007, and before July 1, 2008, nine hundred thirty dollars (\$930).

(13) With respect to injuries occurring on or after July 1, 2008, and before July 1, 2009, nine hundred fifty-four dollars (\$954).

(14) With respect to injuries occurring on or after July 1, 2009, **and before July 1, 2010**, nine hundred seventy-five dollars (\$975).

**(15) With respect to injuries occurring on or after July 1, 2010, one thousand seven dollars (\$1,007)."**

Delete page 26.

Page 27, delete lines 1 through 12.

Delete page 31, begin a new line double block indented and insert:

"(A) not more than six hundred seventy-two dollars (\$672); and

(B) not less than seventy-five dollars (\$75);

(2) with respect to occupational diseases occurring on and after July 1, 1998, and before July 1, 1999:

(A) not more than seven hundred two dollars (\$702); and

(B) not less than seventy-five dollars (\$75);

(3) with respect to occupational diseases occurring on and after July 1, 1999, and before July 1, 2000:

(A) not more than seven hundred thirty-two dollars (\$732); and

(B) not less than seventy-five dollars (\$75);

(4) with respect to occupational diseases occurring on and after July 1, 2000, and before July 1, 2001:

(A) not more than seven hundred sixty-two dollars (\$762); and

(B) not less than seventy-five dollars (\$75);

(5) with respect to disablements occurring on and after July 1, 2001, and before July 1, 2002:

(A) not more than eight hundred twenty-two dollars (\$822); and

(B) not less than seventy-five dollars (\$75);

(6) with respect to disablements occurring on and after July 1, 2002, and before July 1, 2006:

(A) not more than eight hundred eighty-two dollars (\$882); and

(B) not less than seventy-five dollars (\$75);

(7) with respect to disablements occurring on and after July 1, 2006, and before July 1, 2007:

(A) not more than nine hundred dollars (\$900); and

(B) not less than seventy-five dollars (\$75);

(8) with respect to disablements occurring on and after July 1, 2007, and before July 1, 2008:

(A) not more than nine hundred thirty dollars (\$930); and

(B) not less than seventy-five dollars (\$75);

(9) with respect to disablements occurring on and after July 1, 2008, and before July 1, 2009:

(A) not more than nine hundred fifty-four dollars (\$954); and

(B) not less than seventy-five dollars (\$75);

(10) with respect to disablements occurring on and after July 1, 2009, **and before July 1, 2010:**

(A) not more than nine hundred seventy-five dollars (\$975); and

(B) not less than seventy-five dollars (\$75); **and**

**(11) with respect to disablements occurring on and after July 1, 2010:**

**(A) not more than one thousand seven dollars (\$1,007); and**

**(B) not less than seventy-five dollars (\$75)."**

Page 32, delete lines 1 through 7.

Page 33, delete lines 14 through 42, begin a new paragraph and insert:

"(t) The maximum compensation that shall be paid for occupational disease and the results of an occupational disease under this chapter or under any combination of the provisions of this chapter may not exceed the following amounts in any case:

(1) With respect to disability or death occurring on and

after July 1, 1997, and before July 1, 1998, two hundred twenty-four thousand dollars (\$224,000).

(2) With respect to disability or death occurring on and after July 1, 1998, and before July 1, 1999, two hundred thirty-four thousand dollars (\$234,000).

(3) With respect to disability or death occurring on and after July 1, 1999, and before July 1, 2000, two hundred forty-four thousand dollars (\$244,000).

(4) With respect to disability or death occurring on and after July 1, 2000, and before July 1, 2001, two hundred fifty-four thousand dollars (\$254,000).

(5) With respect to disability or death occurring on and after July 1, 2001, and before July 1, 2002, two hundred seventy-four thousand dollars (\$274,000).

(6) With respect to disability or death occurring on and after July 1, 2002, and before July 1, 2006, two hundred ninety-four thousand dollars (\$294,000).

(7) With respect to disability or death occurring on and after July 1, 2006, and before July 1, 2007, three hundred thousand dollars (\$300,000).

(8) With respect to disability or death occurring on and after July 1, 2007, and before July 1, 2008, three hundred ten thousand dollars (\$310,000).

(9) With respect to disability or death occurring on and after July 1, 2008, and before July 1, 2009, three hundred eighteen thousand dollars (\$318,000).

(10) With respect to disability or death occurring on or after July 1, 2009, and before July 1, 2010, three hundred twenty-five thousand dollars (\$325,000).

**(11) With respect to disability or death occurring on or after July 1, 2010, three hundred thirty-five thousand six hundred thirteen dollars (\$335,613)."**

Page 34, delete lines 1 through 10.

(Reference is to HB 1488 as printed February 20, 2007.)

TORR

Upon request of Representatives Torr and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 247: yeas 47, nays 46. Motion prevailed. The bill was ordered engrossed.

## House Bill 1480

Representative Kuzman called down House Bill 1480 for second reading. The bill was read a second time by title.

### HOUSE MOTION (Amendment 1480-1)

Mr. Speaker: I move that House Bill 1480 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 33-37-7-8, AS AMENDED BY P.L.174-2006, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) The clerk of a city or town court shall distribute semiannually to the auditor of state as the state share for deposit in the state general fund fifty-five percent (55%) of the amount of fees collected under the following:

- (1) IC 33-37-4-1(a) (criminal costs fees).
- (2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
- (3) IC 33-37-4-4(a) (civil costs fees).
- (4) IC 33-37-4-6(a)(1)(A) (small claims costs fees).
- (5) IC 33-37-5-17 (deferred prosecution fees).

(b) The city or town fiscal officer shall distribute monthly to the county auditor as the county share twenty percent (20%) of the amount of fees collected under the following:

- (1) IC 33-37-4-1(a) (criminal costs fees).
- (2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
- (3) IC 33-37-4-4(a) (civil costs fees).

(4) IC 33-37-4-6(a)(1)(A) (small claims costs fees).

(5) IC 33-37-5-17 (deferred prosecution fees).

(c) The city or town fiscal officer shall retain twenty-five percent (25%) as the city or town share of the fees collected under the following:

- (1) IC 33-37-4-1(a) (criminal costs fees).
- (2) IC 33-37-4-2(a) (infraction or ordinance violation costs fees).
- (3) IC 33-37-4-4(a) (civil costs fees).
- (4) IC 33-37-4-6(a)(1)(A) (small claims costs fees).
- (5) IC 33-37-5-17 (deferred prosecution fees).

(d) The clerk of a city or town court shall distribute semiannually to the auditor of state for deposit in the state user fee fund established in IC 33-37-9 the following:

- (1) Twenty-five percent (25%) of the drug abuse, prosecution, interdiction, and ~~corrections~~ **correction** fees collected under IC 33-37-4-1(b)(5).
- (2) Twenty-five percent (25%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).
- (3) One hundred percent (100%) of the highway work zone fees collected under IC 33-37-4-1(b)(9) and IC 33-37-4-2(b)(5).
- (4) One hundred percent (100%) of the safe schools fee collected under IC 33-37-5-18.
- (5) One hundred percent (100%) of the automated record keeping fee (IC 33-37-5-21).

(e) The clerk of a city or town court shall distribute monthly to the county auditor the following:

- (1) Seventy-five percent (75%) of the drug abuse, prosecution, interdiction, and corrections fees collected under IC 33-37-4-1(b)(5).
- (2) Seventy-five percent (75%) of the alcohol and drug countermeasures fees collected under IC 33-37-4-1(b)(6), IC 33-37-4-2(b)(4), and IC 33-37-4-3(b)(5).

The county auditor shall deposit fees distributed by a clerk under this subsection into the county drug free community fund established under IC 5-2-11.

(f) The clerk of a city or town court shall distribute monthly to the city or town fiscal officer (as defined in IC 36-1-2-7) one hundred percent (100%) of the following:

- (1) The late payment fees collected under IC 33-37-5-22.
- (2) The small claims service fee collected under IC 33-37-4-6(a)(1)(B) or IC 33-37-4-6(a)(2).
- (3) The small claims garnishee service fee collected under IC 33-37-4-6(a)(1)(C) or IC 33-37-4-6(a)(3).

The city or town fiscal officer (as defined in IC 36-1-2-7) shall deposit fees distributed by a clerk under this subsection in the city or town general fund.

(g) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund one hundred percent (100%) of the following:

- (1) The public defense administration fee collected under IC 33-37-5-21.2.
- (2) The DNA sample processing fees collected under IC 33-37-5-26.2.
- (3) The court administration fees collected under IC 33-37-5-27.

(h) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the judicial branch insurance adjustment account established by IC 33-38-5-8.2 one hundred percent (100%) of the judicial insurance adjustment fee collected under IC 33-37-5-25.

(i) The clerk of a city or town court shall semiannually distribute to the auditor of state for deposit in the state general fund seventy-five percent (75%) of the judicial salaries fee collected under IC 33-37-5-26. The city or town fiscal officer shall retain twenty-five percent (25%) of the judicial salaries fee collected under IC 33-37-5-26 ~~as the city or town share; to fund~~

the operation of the city or town court."

Renumber all SECTIONS consecutively.

(Reference is to HB 1480 as printed February 20, 2007.)

TURNER

Motion prevailed. The bill was ordered engrossed.

### House Bill 1470

Representative Reske called down House Bill 1470 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1470-2)

Mr. Speaker: I move that House Bill 1470 be amended to read as follows:

Page 4, line 42, delete "." and insert ", except that the term of a bond issued to finance a plan of improvements in a sales tax increment financing area may not exceed thirty (30) years."

Page 7, line 25, delete "if:" and insert "at the earliest occurrence of the following:

(1) The date thirty (30) years after the date on which a resolution designating the sales tax increment financing area was adopted under section 51 of this chapter.

(2) The earliest date on which:

(A) the plan of improvements for the sales tax increment financing area is completed or abandoned;

(B) there are no remaining outstanding bonds or leases for which payments from the gross retail incremental amount (as defined in section 55(a) of this chapter) were pledged; and

(C) all other creditors and vendors that furnished money, goods, or services in connection with the plan of improvements, including their successors or assigns, are paid in full."

Page 7, delete lines 26 through 34.

Page 8, after line 1, begin a new paragraph and insert:

"SECTION 10. IC 36-7-15.1-59 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 59. (a) Except as provided in subsection (b), a sales tax increment financing area designated under section 60 of this chapter may comprise all or part of one (1) or more of the following geographic areas within the redevelopment district:

(1) A circular area having a radius of one-fourth (1/4) mile centered on a highway interchange, at least one (1) highway of which is an interstate highway.

(2) An area extending outward from the perimeter of an airport for two thousand five hundred (2,500) feet.

(3) An area extending for five hundred (500) feet on each side of the center line of one (1) or more of the following systems:

(A) Recreational trails.

(B) Commuter rail lines.

(4) A circular area having a radius of one hundred (100) feet centered on a public or private bus stop.

(5) A parcel that includes any part of an area described in subdivisions (1) through (4).

(b) All or part of a geographic area described in subsection (a) may be included in a sales tax increment financing area designated under section 60 of this chapter only to the extent that the geographic area is not part of an area or a district in which a state gross retail or use tax increment is captured under this chapter or any other law.

SECTION 11. IC 36-7-15.1-60 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 60. (a) Subject to section 59 of this chapter, a commission may, by following the procedures set forth in sections 10, 61, and 62 of this chapter, approve a plan for and designate a sales tax

increment financing area.

(b) Subject to section 59 of this chapter, a commission may, by following the procedures set forth in sections 10, 61, and 62 of this chapter, modify a plan for or the boundaries of a sales tax increment financing area.

(c) A final action taken by a commission under section 10(d) of this chapter concerning a sales tax increment financing area is subject to judicial review in accordance with section 11 of this chapter.

SECTION 12. IC 36-7-15.1-61 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 61. (a) As used in this section, "improvement" means the construction, reconstruction, or repair of public ways, sidewalks, sewers, drains, fences, or buildings, and all other things that would enhance the value of real property and make it more suitable for industrial, commercial, retail, or recreational use.

(b) Whenever a commission finds that:

(1) the public health and welfare would benefit from a plan of improvements to a proposed sales tax increment financing area; and

(2) there are significant obstacles to the development of the proposed sales tax increment financing area that cannot be corrected by regulatory processes or the ordinary operations of private enterprise without resort to this chapter;

the commission shall have the data described in subsection (c) prepared for the proposed sales tax increment financing area.

(c) After making a finding under subsection (b), the commission shall have the following prepared:

(1) Maps and plats showing:

(A) the boundaries of the proposed sales tax increment financing area, the location of the various parcels of property, streets, alleys, and other features affecting the acquisition, clearance, replatting, replanning, rezoning, or improvement of the area, indicating any parcels of property to be acquired for the project; and

(B) the parts of the proposed sales tax increment financing area that are to be devoted to public ways, levees, sewerage, parks, playgrounds, and other public purposes under the proposed plan of improvements.

(2) Lists of the owners of the various parcels of property proposed to be acquired.

(3) An estimate of the cost of acquisition and improvement.

(d) After preparation of the data required by subsection (c), the commission shall adopt a resolution declaring that:

(1) the plan of improvements to the proposed sales tax increment financing area will be of public utility and benefit; and

(2) the proposed sales tax increment financing area is designated as a sales tax increment financing area for purposes of this chapter.

The resolution must state the general boundaries of the sales tax increment financing area, and any interests in land within the boundaries of the sales tax increment financing area that the department of redevelopment proposes to acquire, if any.

(e) For the purpose of adopting a resolution under subsection (d), the resolution may describe the boundaries of the sales tax increment financing area by their location in relation to public ways or streams, or otherwise, as determined by the commissioners. Property excepted from the acquisition may be described by street numbers or location.

SECTION 13. IC 36-7-15.1-62 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 62. After or concurrent with the adoption of a resolution under section 61 of this chapter, the commission shall determine whether the resolution and plan of improvements conform to the comprehensive plan of development for the consolidated city and approve or disapprove the resolution and the proposed plan.

SECTION 14. IC 36-7-15.1-63 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 63. (a) All the rights, powers, privileges, and immunities that may be exercised by the commission in a redevelopment project area or urban renewal area may be exercised by the commission in a sales tax increment financing area, subject to the following:

- (1) The content and manner of exercise of these rights, powers, privileges, and immunities shall be determined by the purposes and nature of a sales tax increment financing area.
- (2) Real property (or interests in real property) relative to which action is taken in a sales tax increment financing area is not required to meet the conditions described in IC 36-7-1-3.
- (3) The special tax levied in accordance with section 16 of this chapter may not be used to finance a plan of improvements for a sales tax increment finance area.
- (4) Bonds may be issued in accordance with section 17 of this chapter to defray expenses of carrying out activities under this chapter in sales tax increment financing areas, except that the term of a bond issued to finance a plan of improvements in a sales tax increment financing area may not exceed thirty (30) years. Principal and interest on bonds issued to finance a plan of improvements in a sales tax increment financing area must be paid from the gross retail incremental amount (as defined in section 65(a) of this chapter) for the sales tax increment financing area.

(b) The content and manner of discharge of duties set forth in section 6 of this chapter shall be determined by the purposes and nature of a sales tax increment financing area.

SECTION 15. IC 36-7-15.1-64 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 64. (a) After a commission designates a sales tax increment financing area under section 60 of this chapter, a unit shall create a special revolving fund to be known as the sales tax increment financing fund to provide money for the purposes of the sales tax increment financing area. The commission shall administer the fund. The fund consists of:

- (1) deposits of gross retail and use tax revenue under section 66 of this chapter; and
- (2) transfers of any available and unappropriated money of the unit into the fund by the unit's legislative body.

Money in the fund does not revert to the unit's general fund at the end of the unit's fiscal year.

(b) After a commission designates a sales tax increment financing area or modifies the boundaries of a sales tax increment financing area under section 60 of this chapter, the commission shall send a certified copy of the corresponding resolution to the department of state revenue by certified mail and shall include with the resolution a complete list of the following:

- (1) Businesses operating in the sales tax increment financing area.
- (2) The date on which each business began operating in the sales tax increment financing area.
- (3) Street names and the range of street numbers of each street in the district.
- (4) The federal tax identification number of each

business in the district.

(5) The street address of each business in the district.

(6) The name, telephone number, and electronic mail address (if available) of a contact person for each business in the district.

(c) The commission shall update a list compiled under subsection (b):

(1) before July 1 of each year; or

(2) within fifteen (15) days after the date that the commission adopts a resolution to modify the boundaries of the sales tax financing area under section 61 of this chapter.

SECTION 16. IC 36-7-15.1-65 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 65. (a) As used in this section, "gross retail incremental amount" for a sales tax increment financing area designated under section 60 of this chapter for a state fiscal year means:

- (1) the aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 during the state fiscal year by businesses that begin operating in the sales tax increment financing area after the start date of the sales tax increment financing area; multiplied by
- (2) fifty percent (50%).

(b) As used in this section, "start date" means the date on which a commission adopts a resolution designating a sales tax increment financing area under section 61 of this chapter. A sales tax increment financing area whose boundaries are modified retains the original start date of the sales tax increment financing area.

(c) Before the first business day in October of each year, the department of state revenue shall calculate the gross retail incremental amount for the preceding state fiscal year for each district designated under this chapter.

(d) A business operating in the district shall report, in the manner and in the form prescribed by the department of state revenue, information that the department of state revenue determines necessary to calculate incremental gross retail and use taxes.

(e) Not later than sixty (60) days after receiving a certification of a district's modified boundaries under section 60 of this chapter, the department of state revenue shall recalculate the gross retail incremental amount for the preceding state fiscal year for a district modified under section 60 of this chapter.

SECTION 17. IC 36-7-15.1-66 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 66. (a) If a commission designates a sales tax increment financing area under this chapter, the treasurer of state shall establish an incremental tax financing fund for the area. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) Fifty percent (50%) of the aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses that begin operating in the sales tax increment financing area after the start date (as defined in section 65(b) of this chapter) shall be deposited during each state fiscal year in the incremental tax financing fund established for the sales tax increment financing area under subsection (a) until the amount of state gross retail and use taxes deposited equals the gross retail incremental amount (as defined in section 65(a) of this chapter) for the sales tax increment financing area.

(c) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a sales tax increment financing area shall be distributed to the commission for deposit in the sales tax increment financing fund established under section 64(a) of

this chapter.

SECTION 18. IC 36-7-15.1-67 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 67. (a) A commission shall terminate a sales tax increment financing area under this chapter by resolution at the earliest occurrence of the following:

(1) The date thirty (30) years after the date on which a resolution designating the sales tax increment financing area was adopted under section 61 of this chapter.

(2) The earliest date on which:

(A) the plan of improvements for the sales tax increment financing area is completed or abandoned;

(B) there are no remaining outstanding bonds or leases for which payments from the gross retail incremental amount (as defined in section 65(a) of this chapter) were pledged; and

(C) all other creditors and vendors that furnished money, goods, or services in connection with the plan of improvements, including their successors or assigns, are paid in full.

(b) A commission that adopts a resolution under subsection (a) shall send a certified copy of the resolution by certified mail to:

(1) the department of state revenue; and

(2) the treasurer of state.

(c) Any money remaining in the sales tax increment financing fund of a commission on the date a resolution under subsection (a) is adopted shall be sent to the treasurer of state for distribution in accordance with IC 6-2.5-10-1."

Renumber all SECTIONS consecutively.

(Reference is to HB 1470 as printed February 20, 2007.)

RESKE

Motion prevailed.

#### HOUSE MOTION (Amendment 1470-3)

Mr. Speaker: I move that House Bill 1470 be amended to read as follows:

Page 2, between lines 22 and 23, begin a new paragraph and insert:

"(d) Notwithstanding any other provision, only one (1) sales tax increment financing area may be designated under this chapter in a particular county. After that sales tax increment financing area terminates under this chapter, no additional sales tax increment financing areas may be designated under this chapter in that county."

Page 4, line 14, after "executive" delete "." and insert "and the sales tax increment financing area is reviewed by the budget committee and approved by the budget agency under subsection (d)."

Page 4, between lines 22 and 23, begin a new line blocked left and insert:

"The redevelopment commission may not proceed with the plan of improvements for the sales tax increment financing area until the sales tax increment financing area is reviewed by the budget committee and approved by the budget agency under subsection (d)."

(d) After approval under subsection (b) or (c), a proposal designating a sales tax increment financing area must be submitted to the budget committee for review and recommendation to the budget agency. If the budget agency fails to take action on a proposal designating a sales tax increment financing area within one hundred twenty (120) days after the proposal is submitted to the budget committee, the designation of the sales tax increment financing area is considered to be approved by the budget agency. The budget agency must make the following findings before it may approve a sales tax increment financing area:

(1) The area to be designated as a sales tax increment financing area meets the conditions necessary for designation as a sales tax increment financing area.

(2) The designation of the sales tax increment financing area will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the sales tax increment financing area."

Page 5, line 13, after "chapter" delete "," and insert "and the sales tax increment financing area is reviewed by the budget committee and approved by the budget agency under section 52 of this chapter,".

Page 5, line 26, after "chapter" delete "," and insert "and the sales tax increment financing area is reviewed by the budget committee and approved by the budget agency under section 52 of this chapter,".

Page 6, line 12, after "chapter" insert "and reviewed by the budget committee and approved by the budget agency under section 52 of this chapter" .

Page 6, line 19, delete "fifty percent (50%)." and insert "twenty-five percent (25%)."

Page 6, line 20, after "which" insert "the budget agency approves a sales tax increment financing area under section 52 of this chapter."

Page 6, delete lines 21 through 22.

Page 7, line 1, after "chapter" delete "," and insert "and the sales tax increment financing area is reviewed by the budget committee and approved by the budget agency under section 52 of this chapter,".

Page 7, line 6, delete "Fifty percent (50%)" and insert "Twenty-five percent (25%)."

Page 8, after line 1, begin a new paragraph and insert:

"(d) Subject to the provisions of this section, a redevelopment commission shall designate the duration of the sales tax increment financing area. However, a sales tax increment financing area that is not terminated by the redevelopment commission under subsection (a) must terminate not later than twenty (20) years after the gross retail incremental amount is first distributed to the redevelopment commission. Notwithstanding any other provision, after a sales tax increment financing area terminates under this chapter, no additional sales tax increment financing areas may be designated under this chapter in the county."

(Reference is to HB 1470 as printed February 20, 2007.)

KUZMAN

Motion prevailed.

#### HOUSE MOTION (Amendment 1470-1)

Mr. Speaker: I move that House Bill 1470 be amended to read as follows:

Page 1, line 3, delete "Except as provided in subsection (b)," and insert "Subject to subsections (b) and (c)."

Page 2, between lines 8 and 9, begin a new paragraph and insert:

"(c) A zoning or similar ordinance must restrict the occupancy of each parcel in a sales tax increment financing area to a person that is a retail merchant (as defined in IC 6-2.5-1-8)."

Page 2, line 27, after "things" insert "that would make real property more suitable for retail and recreational use."

Page 2, delete lines 28 through 29.

Page 3, line 21, after "for" insert "the purpose of making real property within the sales tax increment financing area more suitable for retail or recreational use."

Page 3, delete line 22.

Page 7, line 26, after "(1)" insert "either:

(A)".

Page 7, line 27, after "abandoned;" insert "**or (B) a zoning or similar ordinance fails to restrict the occupancy of a parcel in the sales tax increment financing area to a person that is a retail merchant (as defined in IC 6-2.5-1-8);**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1470 as printed February 20, 2007.)

LEONARD

Motion prevailed. The bill was ordered engrossed.

Representatives Bischoff and Cheatham, who had been excused, were present.

## House Bill 1461

Representative Bosma called down House Bill 1461 for second reading. The bill was read a second time by title.

### HOUSE MOTION (Amendment 1461-1)

Mr. Speaker: I move that House Bill 1461 be amended to read as follows:

Page 9, line 14, after "a" insert "**qualified**".

Page 9, between lines 15 and 16, begin a new paragraph and insert:

**"(b) As used in this section, "invention" has the meaning set forth in 35 U.S.C. 100(a).**

**(c) As used in this section, "qualified patent" means:**

**(1) a utility patent issued under 35 U.S.C. 101; or**

**(2) a plant patent issued under 35 U.S.C. 161;**

**after December 31, 2007, for an invention resulting from a development process conducted in Indiana. The term does not include a design patent issued under 35 U.S.C. 171."**

Page 9, line 16, delete "(b)" and insert "(d)".

Page 9, line 21, delete "(c)" and insert "(e)".

Page 9, line 21, delete "(d) and (e)," and insert "(f) and (g)".

Page 9, line 25, after "a" insert "**qualified**".

Page 9, line 27, after "a" insert "**qualified**".

Page 9, line 28, after "a" insert "**qualified**".

Page 9, line 29, delete "(d)" and insert "(f)".

Page 9, line 32, delete "(e)" and insert "(g)".

Page 9, line 33, after "particular" insert "**qualified**".

Page 9, line 34, after "years." insert "**Subject to the provisions of this section, the following amount of the income, royalties, or receipts described in subsection (e) from a particular qualified patent is exempt:**

**(1) One hundred percent (100%) for each of the first five (5) taxable years in which the exemption is claimed for the qualified patent.**

**(2) Eighty percent (80%) for the sixth taxable year in which the exemption is claimed for the qualified patent.**

**(3) Sixty percent (60%) for the seventh taxable year in which the exemption is claimed for the qualified patent.**

**(4) Forty percent (40%) for the eighth taxable year in which the exemption is claimed for the qualified patent.**

**(5) Twenty percent (20%) for the ninth taxable year in which the exemption is claimed for the qualified patent.**

**(6) Ten percent (10%) for the tenth taxable year in which the exemption is claimed for the qualified patent.**

**(7) No exemption under this section for the particular qualified patent after the tenth taxable year in which the exemption is claimed for the qualified patent."**

Page 9, line 35, delete "(f)" and insert "(h)".

(Reference is to HB 1461 as printed February 20, 2007.)

BOSMA

Motion prevailed.

### HOUSE MOTION (Amendment 1461-2)

Mr. Speaker: I move that House Bill 1461 be amended to read as follows:

Page 9, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 3. IC 6-3.1-1-3, AS ADDED BY P.L.199-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 3. A taxpayer (as defined in the following laws), pass through entity (as defined in the following laws), or shareholder, partner, or member of a pass through entity may not be granted more than one (1) tax credit under the following laws for the same project:

(1) IC 6-3.1-10 (enterprise zone investment cost credit).

(2) IC 6-3.1-11 (industrial recovery tax credit).

(3) IC 6-3.1-11.5 (military base recovery tax credit).

(4) IC 6-3.1-11.6 (military base investment cost credit).

(5) IC 6-3.1-13.5 (capital investment tax credit).

(6) IC 6-3.1-19 (community revitalization enhancement district tax credit).

(7) IC 6-3.1-24 (venture capital investment tax credit).

(8) IC 6-3.1-26 (Hoosier business investment tax credit).

**(9) IC 6-3.1-31 (Hoosier alternative fuel vehicle manufacturer tax credit).**

If a taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity has been granted more than one (1) tax credit for the same project, the taxpayer, pass through entity, or shareholder, partner, or member of a pass through entity must elect to apply only one (1) of the tax credits in the manner and form prescribed by the department.

SECTION 4. IC 6-3.1-31 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]:

### Chapter 31. Hoosier Alternative Fuel Vehicle Manufacturer Tax Credit

**Sec. 1. As used in this chapter, "alternative fuel" means:**

**(1) methanol, denatured ethanol, and other alcohols;**

**(2) mixtures containing eighty-five percent (85%) or more by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuel;**

**(3) natural gas;**

**(4) liquefied petroleum gas;**

**(5) hydrogen;**

**(6) coal-derived liquid fuels;**

**(7) non-alcohol fuels derived from biological material;**

**(8) P-Series;**

**(9) electricity; or**

**(10) electric battery and diesel.**

**Sec. 2. As used in this chapter, "alternative fuel vehicle" means any vehicle designed to operate on at least one (1) alternative fuel.**

**Sec. 3. As used in this chapter, "the corporation" means the Indiana economic development corporation established by IC 5-28-3-1.**

**Sec. 4. As used in this chapter, "director" has the meaning set forth in IC 6-3.1-13-3.**

**Sec. 5. As used in this chapter, "highly compensated employee" has the meaning set forth in Section 414(q) of the Internal Revenue Code.**

**Sec. 6. As used in this chapter, "new employee" has the meaning set forth in IC 6-3.1-13-6.**

**Sec. 7. As used in this chapter, "qualified investment" means the amount of a taxpayer's expenditures in Indiana that are reasonable and necessary for the manufacture or assembly of alternative fuel vehicles, including:**

**(1) the purchase of new telecommunications, production, manufacturing, fabrication, assembly, finishing, distribution, transportation, or logistical distribution equipment, jigs, dies, or fixtures;**

**(2) the purchase of new computers and related equipment;**

**(3) costs associated with the modernization of existing telecommunications, production, manufacturing, fabrication, assembly, finishing, distribution,**



- transportation, or logistical distribution facilities;
- (4) onsite infrastructure improvements;
- (5) the construction of new telecommunications, production, manufacturing, fabrication, assembly, finishing, distribution, transportation, or logistical distribution facilities;
- (6) costs associated with retooling existing machinery and equipment;
- (7) costs associated with the construction of special purpose buildings, pits, and foundations; and
- (8) costs associated with the purchase of machinery, equipment, or special purpose buildings used to manufacture or assemble alternative fuel vehicles;

that are certified by the corporation under this chapter as being eligible for the credit under this chapter.

Sec. 8. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 6-5.5 (the financial institutions tax); and
- (3) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 9. As used in this chapter, "taxpayer" means an individual, a corporation, a partnership, or other entity that has state tax liability.

Sec. 10. The corporation may make credit awards under this chapter to:

- (1) foster job creation and higher wages;
- (2) reduce dependency upon energy sources imported into the United States; and
- (3) reduce air pollution as the result of the manufacture or assembly of alternative fuel vehicles in Indiana.

Sec. 11. A taxpayer that:

- (1) is awarded a tax credit under this chapter by the corporation; and
- (2) complies with the conditions set forth in this chapter and the agreement entered into by the corporation and the taxpayer under this chapter;

is entitled to a credit against the taxpayer's state tax liability in a taxable year.

Sec. 12. The total amount of a tax credit claimed for a taxable year under this chapter is a percentage determined by the corporation, not to exceed fifteen percent (15%) of the amount of a qualified investment made by the taxpayer in Indiana during that taxable year. The taxpayer may carry forward any unused credit.

Sec. 13. (a) A taxpayer may carry forward an unused credit for the number of years determined by the corporation, not to exceed nine (9) consecutive taxable years, beginning with the taxable year after the taxable year in which the taxpayer makes the qualified investment.

(b) The amount that a taxpayer may carry forward to a particular taxable year under this section equals the unused part of a credit allowed under this chapter.

(c) A taxpayer may:

- (1) claim a tax credit under this chapter for a qualified investment; and
- (2) carry forward a remainder for one (1) or more different qualified investments;

in the same taxable year.

(d) The total amount of each tax credit claimed under this chapter may not exceed fifteen percent (15%) of the qualified investment for which the tax credit is claimed.

Sec. 14. A person that proposes a project to manufacture or assemble alternative fuel vehicles that would create new jobs, increase wage levels, or involve substantial capital investment in Indiana may apply to the corporation before the taxpayer makes the qualified investment to enter into an

agreement for a tax credit under this chapter. The corporation shall prescribe the form of the application.

Sec. 15. After receipt of an application, the corporation may enter into an agreement with the applicant for a credit under this chapter if the corporation determines that all the following conditions exist:

- (1) The applicant's project will raise the total earnings of employees of the applicant in Indiana.
- (2) The applicant's project is economically sound and will benefit the people of Indiana by increasing opportunities for employment and strengthening the economy of Indiana.
- (3) The manufacture or assembly of alternative fuel vehicles by the applicant will reduce air pollution.
- (4) The manufacture or assembly of alternative fuel vehicles by the applicant will reduce dependence by the United States on foreign energy sources.
- (5) Receiving the tax credit is a major factor in the applicant's decision to go forward with the project.
- (6) Awarding the tax credit will result in an overall positive fiscal impact to the state, as certified by the budget agency using the best available data.
- (7) The credit is not prohibited by section 16 of this chapter.
- (8) The average wage that will be paid by the taxpayer to its employees (excluding highly compensated employees) at the location after the credit is given will be at least equal to one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

Sec. 16. A person is not entitled to claim the credit provided by this chapter for any jobs that the person relocates from one (1) site in Indiana to another site in Indiana. Determinations under this section shall be made by the corporation.

Sec. 17. The corporation shall certify the amount of the qualified investment that is eligible for a credit under this chapter. In determining the credit amount that should be awarded, the corporation shall grant a credit only for the amount of the qualified investment that is directly related to expanding:

- (1) the workforce in Indiana; or
- (2) the capital investment in Indiana.

Sec. 18. The corporation shall enter into an agreement with an applicant that is awarded a credit under this chapter. The agreement must include all the following:

- (1) A detailed description of the project that is the subject of the agreement.
- (2) The first taxable year for which the credit may be claimed.
- (3) The amount of the taxpayer's state tax liability for each tax in the taxable year of the taxpayer that immediately preceded the first taxable year in which the credit may be claimed.
- (4) The maximum tax credit amount that will be allowed for each taxable year.
- (5) A requirement that the taxpayer shall maintain operations at the project location for at least ten (10) years during the term that the tax credit is available.
- (6) A specific method for determining the number of new employees employed during a taxable year who are performing jobs not previously performed by an employee.
- (7) A requirement that the taxpayer shall annually report to the corporation the number of new employees who are performing jobs not previously performed by an employee, the average wage of the new employees, the average wage of all employees at the location where the qualified investment is made, and any other information the director needs to perform the director's

duties under this chapter.

(8) A requirement that the director is authorized to verify with the appropriate state agencies the amounts reported under subdivision (7), and that after doing so shall issue a certificate to the taxpayer stating that the amounts have been verified.

(9) A requirement that the taxpayer shall pay an average wage to all its employees other than highly compensated employees in each taxable year that a tax credit is available that equals at least one hundred fifty percent (150%) of the hourly minimum wage under IC 22-2-2-4 or its equivalent.

(10) A requirement that the taxpayer will keep the qualified investment property that is the basis for the tax credit in Indiana for at least the lesser of its useful life for federal income tax purposes or ten (10) years.

(11) A requirement that the taxpayer will maintain at the location where the qualified investment is made during the term of the tax credit a total payroll that is at least equal to the payroll level that existed before the qualified investment was made.

(12) A requirement that the taxpayer shall provide written notification to the director and the corporation not more than thirty (30) days after the taxpayer makes or receives a proposal that would transfer the taxpayer's state tax liability obligations to a successor taxpayer.

(13) Any other performance conditions that the corporation determines are appropriate.

**Sec. 19.** A taxpayer claiming a credit under this chapter shall submit to the department of state revenue a copy of the director's certificate of verification under this chapter for the taxable year. However, failure to submit a copy of the certificate does not invalidate a claim for a credit.

**Sec. 20.** If the director determines that a taxpayer who has received a credit under this chapter is not complying with the requirements of the tax credit agreement or all the provisions of this chapter, the director shall, after giving the taxpayer an opportunity to explain the noncompliance, notify the Indiana economic development corporation and the department of state revenue of the noncompliance and request an assessment. The department of state revenue, with the assistance of the director, shall state the amount of the assessment, which may not exceed the sum of any previously allowed credits under this chapter. After receiving the notice, the department of state revenue shall make an assessment against the taxpayer under IC 6-8.1.

**Sec. 21.** On or before March 31 each year, the director shall submit a report to the corporation on the tax credit program under this chapter. The report must include information on the number of agreements that were entered into under this chapter during the preceding calendar year, a description of the project that is the subject of each agreement, an update on the status of projects under agreements entered into before the preceding calendar year, and the sum of the credits awarded under this chapter. A copy of the report shall be transmitted in an electronic format under IC 5-14-6 to the executive director of the legislative services agency for distribution to the members of the general assembly.

**Sec. 22.** On a biennial basis, the corporation shall provide for an evaluation of the tax credit program. The evaluation must include an assessment of the effectiveness of the program in creating new jobs and increasing wages in Indiana and of the revenue impact of the program and may include a review of the practices and experiences of other states with similar programs. The director shall submit a report on the evaluation to the governor, the president pro tempore of the senate, and the speaker of the house of representatives after June 30 and before November 1 in each

odd-numbered year. The report provided to the president pro tempore of the senate and the speaker of the house of representatives must be in an electronic format under IC 5-14-6.

**Sec. 23. (a)** This chapter applies to taxable years beginning after December 31, 2006.

**(b)** Notwithstanding the other provisions of this chapter, the corporation may not approve a credit for a qualified investment made after December 31, 2012. However, this section may not be construed to prevent a taxpayer from carrying an unused tax credit attributable to a qualified investment made before January 1, 2012, forward to a taxable year beginning after December 31, 2011, in the manner provided by section 13 of this chapter."

Page 13, after line 7, begin a new paragraph and insert:

"SECTION 7. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

(Reference is to HB 1461 as printed February 20, 2007.)

KUZMAN

Motion prevailed. The bill was ordered engrossed.

### House Bill 1646

Representative VanHaaften called down House Bill 1646 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

### House Bill 1452

Representative Klinker called down House Bill 1452 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1452-1)

Mr. Speaker: I move that House Bill 1452 be amended to read as follows:

Page 5, delete lines 14 through 16.

Page 5, line 17, delete "is considered approved.", begin a new line block indented and insert:

"(5)".

Page 5, line 19, after "filer" insert ", in writing,".

Page 5, line 20, after "(m)." insert "**The policy form may not be disapproved unless it contains a material error or omission. At any hearing conducted under this subsection, the commissioner must prove that the policy form contains a material error or omission.**"

(Reference is to HB 1452 as printed February 20, 2007.)

KLINKER

Motion prevailed. The bill was ordered engrossed.

### House Bill 1386

Representative L. Lawson called down House Bill 1386 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1386-1)

Mr. Speaker: I move that House Bill 1386 be amended to read as follows:

Page 5, after line 42, begin a new paragraph and insert:

"SECTION 5. IC 35-42-4-11, AS AMENDED BY P.L.173-2006, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) As used in this section, "offender against children" means a person required to register as a sex offender under IC 11-8-8 who has been:

(1) found to be a sexually violent predator under IC 35-38-1-7.5; or

(2) convicted of one (1) or more of the following offenses:

(A) Child molesting (IC 35-42-4-3).

(B) Child exploitation (IC 35-42-4-4(b)).

(C) Child solicitation (IC 35-42-4-6).

(D) Child seduction (IC 35-42-4-7).

(E) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age.

(F) **Attempt to commit or conspiracy to commit an offense listed in clauses (A) through (E).**

(G) An offense in another jurisdiction that is substantially similar to an offense described in clauses (A) through ~~(E)~~ (F).

(b) As used in this section, "reside" means to spend more than two (2) nights in a residence in any thirty (30) day period.

(c) An offender against children who knowingly or intentionally:

(1) resides within one thousand (1,000) feet of:

(A) school property;

(B) a youth program center; or

(C) a public park; or

(2) establishes a residence within one (1) mile of the residence of the victim of the offender's sex offense; commits a sex offender residency offense, a Class D felony."

Page 6, line 1, delete "IC 35-42-4-6," and insert **"IC 35-42-4-6 and IC 35-42-4-11, both"**.

Page 6, line 2, delete "applies" and insert **"apply"**.

Renumber all SECTIONS consecutively.

(Reference is to HB 1386 as printed February 20, 2007.)

GOODIN

Motion prevailed. The bill was ordered engrossed.

### House Bill 1356

Representative Micon called down House Bill 1356 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1356-1)

Mr. Speaker: I move that House Bill 1356 be amended to read as follows:

Page 3, between lines 13 and 14, begin a new paragraph and insert:

**"Sec. 9. To receive the credit provided by this chapter, a taxpayer must claim the credit on the taxpayer's annual state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this chapter."**

(Reference is to HB 1356 as printed February 20, 2007.)

WELCH

Motion prevailed. The bill was ordered engrossed.

Representative Murphy, who had been excused, was present.

### House Bill 1351

Representative Bardon called down House Bill 1351 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1351-2)

Mr. Speaker: I move that House Bill 1351 be amended to read as follows:

Page 1, line 11, delete "Sixty" and insert **"In the case of a county that does not contain a consolidated city, sixty"**.

Page 1, line 12, delete "a" and insert **"the"**.

Page 2, line 4, delete "The population to be used for a consolidated"

Page 2, delete lines 5 through 6, begin a new paragraph and insert:

**"(d) In the case of a county that contains a consolidated city, sixty percent (60%) of the amounts recovered under this section in the county shall be deposited in the housing trust fund established under IC 36-7-15.5-35.5(e) for the purposes of the fund."**

Page 2, line 7, delete "(d) Forty" and insert **"(e) In any county, forty"**.

Page 2, line 8, delete "a" and insert **"the"**.

Page 3, line 13, strike "(g)." and insert **"(i)."**

Page 3, line 25, strike "(h)" and insert **"(j)."**

Page 4, line 10, delete "(j)" and insert **"(i)."**

Page 4, line 38, strike "year," insert **"year ending before January 1, 2012, or reporting a distribution under subsection (h) in December of any year beginning after December 31, 2011,"**.

Page 4, line 41, strike "2001;" and insert **"2001, in the case of a determination made under this subsection for a year ending before January 1, 2012, or after June 30, 2012, in the case of a determination made under this subsection for a year beginning after December 31, 2011;"**.

Page 5, line 2, strike "2001;" and insert **"2001, in the case of a determination made under this subsection for a year ending before January 1, 2012, or after June 30, 2012, in the case of a determination made under this subsection for a year beginning after December 31, 2011;"**.

Page 5, line 12, after "(g)(2)" insert **"or make a distribution under subsection (h), as the case may be,"**.

Page 5, line 17, after "(g)" insert **"or (h)."**

Page 5, between lines 41 and 42, begin a new line block indented and insert:

**"(9) Money deposited in the fund under IC 6-2.5-10-1(a)."**

Page 6, line 20, delete "and".

Page 6, between lines 20 and 21, begin a new line block indented and insert:

**"(6) money deposited in the fund under IC 5-1-14-15(c); and"**.

Page 6, line 21, delete "(6)" and insert **"(7)."**

Page 7, line 9, reset in roman "reporting"

Page 7, line 9, delete "period. calendar year, specified as" and insert **"period, specified as follows:"**

**(1) Eighty-three hundredths percent (0.83%), until the retail merchant's state gross retail and use tax liability accrued during the current calendar year reaches seven hundred fifty thousand dollars (\$750,000).**

**(2) Thirteen-hundredths percent (0.13%), after the retail merchant's state gross retail and use tax liability accrued during the current calendar year exceeds seven hundred fifty thousand dollars (\$750,000)."**

Page 7, delete lines 10 through 20.

Page 7, between lines 22 and 23, begin a new paragraph and insert:

**"SECTION 6. IC 6-2.5-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The department shall account for all state gross retail and use taxes that it collects. For each periodic remittance collected from a retail merchant under IC 6-2.5-6-1, the department shall calculate an amount equal to the difference between:**

**(1) an amount equal to:**

**(A) the retail merchant's state gross retail and use tax liability for the reporting period, before applying the allowance permitted under IC 6-2.5-6-10; multiplied by**

**(B) eighty-three hundredths percent (0.83%); minus**

**(2) an amount equal to:**

**(A) the retail merchant's state gross retail and use tax liability for the reporting period, before applying the allowance permitted under IC 6-2.5-6-10; multiplied by**

**(B) the percentage allowance that the retail merchant is entitled to under IC 6-2.5-6-10 for the particular reporting period.**

**From the amount remitted by the retail merchant under IC 6-2.5-6-1 for the reporting period, the department shall, before making the deposits required under subsection (b), deposit an amount equal to the amount determined under**

this subsection in the affordable housing and community development fund established by IC 5-20-4-7.

(b) After making any deposit in the affordable housing and community development fund required under subsection (a), the department shall deposit those the state gross retail and use taxes collected in the following manner:

- (1) Fifty percent (50%) of the collections shall be paid into the property tax replacement fund established under IC 6-1.1-21.
- (2) Forty-nine and one hundred ninety-two thousandths percent (49.192%) of the collections shall be paid into the state general fund.
- (3) Six hundred thirty-five thousandths of one percent (0.635%) of the collections shall be paid into the public mass transportation fund established by IC 8-23-3-8.
- (4) Thirty-three thousandths of one percent (0.033%) of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.
- (5) Fourteen-hundredths of one percent (0.14%) of the collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5."

Page 13, line 30, delete "and".

Page 13, between lines 30 and 31, begin a new line block indented and insert:

"(6) money deposited in the fund under IC 5-1-14-15(d); and".

Page 13, line 31, delete "(6)" and insert "(7)".

Renumber all SECTIONS consecutively.

(Reference is to HB 1351 as printed February 20, 2007.)

BARDON

Motion prevailed.

Representative Behning was excused.

HOUSE MOTION  
(Amendment 1351-1)

Mr. Speaker: I move that House Bill 1351 be amended to read as follows:

Page 6, delete lines 41 through 42.

Page 7, delete lines 1 through 22.

Renumber all SECTIONS consecutively.

(Reference is to HB 1351 as printed February 20, 2007.)

WHETSTONE

Upon request of Representatives Whetstone and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 248: yeas 43, nays 52. Motion failed. The bill was ordered engrossed.

## House Bill 1348

Representative Welch called down House Bill 1348 for second reading. The bill was read a second time by title.

HOUSE MOTION  
(Amendment 1348-1)

Mr. Speaker: I move that House Bill 1348 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 16-18-2-84 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 84. "Council" refers to the following:

- (1) For purposes of IC 16-21, the hospital council.
- (2) For purposes of IC 16-25 and IC 16-27, the home health care services and hospice services council.
- (3) For purposes of IC 16-25.5, the dialysis facility council.
- (~~3~~) (4) For purposes of IC 16-28 and IC 16-29, the Indiana health facilities council.
- (~~4~~) (5) For purposes of IC 16-46-6, the interagency state council on black and minority health.

SECTION 3. IC 16-18-2-94.5 IS ADDED TO THE

INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 94.5. "Dialysis facility", for purposes of IC 16-25.5, means an entity that provides therapeutic or rehabilitative dialysis services required for the care of individuals with renal disease."

Page 3, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 6. IC 16-25.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

### ARTICLE 25.5. DIALYSIS FACILITIES

#### Chapter 1. Dialysis Facility Council

Sec. 1. (a) The dialysis facility council is established. The state department shall staff the council.

(b) The council consists of nine (9) members appointed by the governor as follows:

- (1) Two (2) physicians, each of whom is:
  - (A) licensed under IC 25-22.5; and
  - (B) either:
    - (i) a qualified nephrologist; or
    - (ii) experienced in the care of patients with renal disease.
- (2) One (1) registered nurse licensed under IC 25-23 and experienced in the care of patients with renal disease.
- (3) Two (2) individuals engaged in the administration of facilities that provide dialysis services.
- (4) One (1) individual engaged in hospital administration.
- (5) The state health commissioner or the commissioner's designee.
- (6) One (1) representative of a statewide organization or association that assists kidney patients.
- (7) One (1) individual who is not associated with a hospital or facility that provides dialysis, except as a consumer.

Sec. 2. (a) An appointment to the council is for four (4) years, beginning July 1 of the year of appointment. However, in the case of a vacancy, the appointee shall serve the remainder of the unexpired term. A vacancy shall be filled from the group represented by the outgoing member.

(b) The governor shall appoint a chairperson from the members of the council.

Sec. 3. A member of the council who is not a state employee is entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). A member is entitled to reimbursement for traveling expenses provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties, as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.

Sec. 4. (a) The first meeting of the council shall be called by the chairperson and held not later than thirty (30) days after the appointment of the members of the council. The council shall meet at least two (2) times each calendar year on dates fixed by the chairperson.

(b) Special meetings of the council shall be called by the chairperson at the request of any three (3) members of the council.

(c) Five (5) members constitute a quorum for the transaction of business.

Sec. 5. In the first meeting of the council and in the first annual meeting during each subsequent year, the council shall elect from the members a secretary who shall keep a record of all meetings. The term of secretary is one (1) year.

Sec. 6. At the request of the council, the state department may obtain the services of experts or other persons to assist the council in the formulation of policy or in conducting the council's business.

Sec. 7. (a) Except as provided in subsection (b), the council shall propose and the executive board may adopt rules under IC 4-22-2 necessary to protect the health, safety, rights, and welfare of patients, including the following:

- (1) Rules pertaining to the licensure, operation, and management of a dialysis facility.
- (2) Rules establishing standards for equipment, facilities, and staffing required for efficient and quality care of patients of a dialysis facility.

(b) The state department may request the council to propose a new rule or an amendment to an existing rule necessary to protect the health, safety, rights, and welfare of patients of a dialysis facility. If the council does not propose a rule within ninety (90) days of the state department's request, the state department may propose the department's own rule.

(c) The state department shall consider the rules proposed by the council and may adopt, modify, remand, or reject specific rules or parts of rules proposed by the council.

Sec. 8. (a) The executive board may, upon recommendation by the state health commissioner and for good cause, waive a rule adopted under this chapter.

(b) Disapproval of a waiver request requires executive board action.

(c) A waiver may not adversely affect the health, safety, rights, or welfare of the patients.

Sec. 9. If a dialysis facility is part of a hospital, IC 16-21 applies.

Sec. 10. (a) Licensure inspections of a dialysis facility shall be made regularly in accordance with rules adopted under this chapter. The state department shall make all health and sanitation inspections, including inspections in response to an alleged breach of this chapter or rules adopted under this chapter. The division of fire and building safety shall make all fire safety inspections. The council may provide for other inspections necessary to implement this chapter.

(b) An employee of the state department who knowingly or intentionally informs a dialysis facility of the exact date of an unannounced inspection shall be suspended without pay for five (5) days for a first offense and shall be dismissed for a subsequent offense.

(c) Reports of all inspections must be in writing and sent to the inspected dialysis facility.

(d) The report of an inspection and records relating to the inspection may not be released to the public until the conditions set forth in IC 16-19-3-25 are satisfied.

Sec. 11. (a) The state department shall prepare an annual report concerning dialysis facilities. The report must provide a consumer with information concerning dialysis facilities in Indiana and include the following:

- (1) The location of each licensed dialysis facility and the services provided at the facility.
- (2) The inspection results of each dialysis facility.
- (3) Any remedial or licensure action taken against a dialysis facility.
- (4) Any other information the state department believes would assist a consumer.

(b) The state department shall post the report required in subsection (a) on the state department's Internet web site and provide a written copy of the report to an individual upon request.

## Chapter 2. Licensure of Dialysis Facilities

Sec. 1. (a) The state department shall license and regulate dialysis facilities.

(b) A dialysis facility must be licensed by the state department in order to operate in the state.

Sec. 2. The council may determine if a dialysis facility is covered by this chapter. A decision of the council under this section is subject to review under IC 4-21.5.

Sec. 3. The state department shall administer this chapter

with the advice of the council.

Sec. 4. (a) An applicant for a license under this chapter must submit an application for a license on a form prescribed by the state department showing that:

- (1) the applicant is of reputable and responsible character; and
- (2) the applicant is able to comply with the minimum standards for a dialysis facility and with rules adopted under this chapter.

(b) The submitted application must contain the following information:

- (1) The name of the applicant.
- (2) The location of the dialysis facility.
- (3) The name of the person to be in charge of the dialysis facility.
- (4) Other information required by the state department.

Sec. 5. An application for a license under this chapter must be accompanied by a licensing fee at a rate adopted by the council under IC 4-22-2.

Sec. 6. The state health commissioner may:

- (1) issue a license upon receipt of the application without further evidence; or
- (2) request additional information concerning the application and conduct an investigation to determine whether a license should be granted.

Sec. 7. A license issued under this chapter:

- (1) expires one (1) year after the date of issuance;
- (2) is not assignable or transferable;
- (3) is issued only for the premises named on the application;
- (4) must be posted in a conspicuous place in the dialysis facility for which the license was issued; and
- (5) may be renewed each year upon the payment of a renewal fee at the renewal rate adopted by the council under IC 4-22-2.

Sec. 8. A dialysis facility that provides to a patient notice concerning a third party billing for a service provided to the patient shall ensure that the notice:

- (1) conspicuously states that the notice is not a bill;
- (2) does not include a tear-off portion; and
- (3) is not accompanied by a return mailing envelope.

## Chapter 3. Remedies for Violations

Sec. 1. The state health commissioner may take any of the following actions on any of the grounds listed in section 2 of this chapter:

- (1) Issue a letter of correction.
- (2) Issue a probationary license.
- (3) Conduct a resurvey.
- (4) Deny renewal of a license.
- (5) Revoke a license.
- (6) Impose a civil penalty in an amount not to exceed ten thousand dollars (\$10,000).

Sec. 2. The state health commissioner may take action under section 1 of this chapter on any of the following grounds:

- (1) Violation of any of the provisions of this article or the rules adopted under this article.
- (2) Permitting, aiding, or abetting the commission of an illegal act in a dialysis facility.
- (3) Knowingly collecting or attempting to collect from a subscriber (as defined in IC 27-13-1-32) or an enrollee (as defined in IC 27-13-1-12) of a health maintenance organization (as defined in IC 27-13-1-19) any amounts that are owed by the health maintenance organization.
- (4) Conduct or practice found by the council to be detrimental to the health, safety, rights, and welfare of the patients of a dialysis facility.

Sec. 3. (a) IC 4-21.5 applies to an action under this chapter.

(b) A licensee or an applicant for a license aggrieved by an action under this article may request review under IC 4-21.5.

**Sec. 4. The state department shall investigate a report of an unlicensed dialysis facility and report the findings to the attorney general. The attorney general may seek any of the following:**

(1) An injunction in a court with jurisdiction in the county in which the unlicensed dialysis facility is located or in the circuit or superior court of Marion County.

(2) Relief under IC 4-21.5, including a civil penalty not to exceed an amount of twenty-five thousand dollars (\$25,000) for each day of unlicensed operation.

(3) Criminal penalties as provided in section 5 of this chapter.

**Sec. 5. A person who knowingly or intentionally:**

(1) operates a dialysis facility that is required to be licensed under this article that is not licensed under this article; or

(2) advertises the operation of a dialysis facility that is required to be licensed under this article and that is not licensed under this article;

**commits a Class A misdemeanor."**

Page 4, after line 21, begin a new paragraph and insert:

"SECTION 9. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "council" refers to the dialysis facility council established by IC 16-25.5-1-1(a), as added by this act.

(b) The governor shall make the initial appointments to the council not later than July 1, 2007. In making the initial appointment, the governor shall indicate the length of the term for which the individual is appointed.

(c) Notwithstanding IC 16-25.5-1-2, as added by this act, the initial terms of the members of the council, except for the state health commissioner appointed under IC 16-25.5-1-1(b)(5), shall be staggered as follows:

(1) Two (2) members of the council appointed for a term of two (2) years.

(2) Three (3) members of the council appointed for a term of three (3) years.

(3) Three (3) members of the council appointed for a term of four (4) years.

(d) The initial term for council members begins July 1, 2007.

(e) This SECTION expires December 31, 2011.

**SECTION 10. An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1348 as printed February 20, 2007.)

CRAWFORD

Representative Whetstone rose to a point of order, citing Rule 118, stating that the motion was attempting to incorporate into House Bill 1348 a bill pending before the House. The Speaker ruled the point was well taken and the motion was out of order.

There being no further amendments, the bill was ordered engrossed.

### House Bill 1347

Representative Welch called down House Bill 1347 for second reading. The bill was read a second time by title.

#### HOUSE MOTION

(Amendment 1347-1)

Mr. Speaker: I move that House Bill 1347 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 7.1-3-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. The holder of a brewer's permit or an out-of-state brewer holding either a

primary source of supply permit or an out-of-state brewer's permit may do the following:

(1) Manufacture beer.

(2) Place beer in containers or bottles.

(3) Transport beer.

(4) Sell and deliver beer to a person holding a beer wholesaler's permit issued under IC 7.1-3-3.

(5) If the brewer's brewery manufactures not more than twenty thousand (20,000) barrels of beer in a calendar year, do the following:

(A) Sell and deliver beer to a person holding a retailer or a dealer permit under this title.

(B) Be the proprietor of a restaurant.

(C) Hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant established under clause (B).

(D) Transfer beer directly from the brewery to the restaurant by means of:

(i) bulk containers; or

(ii) a continuous flow system.

(E) Install a window between the brewery and an adjacent restaurant that allows the public and the permittee to view both premises.

(F) Install a doorway or other opening between the brewery and an adjacent restaurant that provides the public and the permittee with access to both premises.

(G) Sell the brewery's beer by the glass for consumption on the premises. Brewers permitted to sell beer by the glass under this clause must furnish the minimum food requirements prescribed by the commission.

**(H) Sell the brewery's beer as authorized by this section for carryout on Sunday.**

(6) If the brewer's brewery manufactures more than twenty thousand (20,000) barrels of beer in a calendar year, own a portion of the corporate stock of another brewery that:

(A) is located in the same county as the brewer's brewery;

(B) manufactures less than twenty thousand (20,000) barrels of beer in a calendar year; and

(C) is the proprietor of a restaurant that operates under subdivision (5).

(7) Sell and deliver beer to a consumer at the plant of the brewer or at the residence of the consumer. The delivery to a consumer shall be made only in a quantity at any one (1) time of not more than one-half (½) barrel, but the beer may be contained in bottles or other permissible containers.

(8) Provide complimentary samples of beer that are:

(A) produced by the brewer; and

(B) offered to consumers for consumption on the brewer's premises.

(9) Own a portion of the corporate stock of a sports corporation that:

(A) manages a minor league baseball stadium located in the same county as the brewer's brewery; and

(B) holds a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant located in that stadium.

(10) For beer described in IC 7.1-1-2-3(a)(4):

(A) may allow transportation to and consumption of the beer on the licensed premises; and

(B) may not sell, offer to sell, or allow sale of the beer on the licensed premises."

Renumber all SECTIONS consecutively.

(Reference is to HB 1347 as printed February 20, 2007.)

PIERCE

Representative Whetstone rose to a point of order, citing Rule 80, stating that the motion was not germane to the bill. The Speaker ruled the point was well taken and the motion was out of order.

There being no further amendments, the bill was ordered engrossed.

### House Bill 1344

Representative T. Brown called down House Bill 1344 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1344-1)

Mr. Speaker: I move that House Bill 1344 be amended to read as follows:

Page 2, delete lines 12 through 28.

Page 2, line 29, delete "(g)" and insert "(f)".

Page 4, delete lines 29 through 30.

Page 4, line 31, delete "(c)" and insert "(b)".

Page 4, line 31, delete "the following:" and insert **"a provision that an inspection of a mobile camp may be conducted by an employee of the state department with the assistance of the:**

**(1) state police department established under IC 10-11-2-4; or**

**(2) county or municipality (as defined in IC 36-1-2-11) in which the mobile camp is located."**

Page 4, delete lines 32 through 42.

Page 5, delete lines 1 through 11.

(Reference is to HB 1344 as printed February 20, 2007.)

T. BROWN

Motion failed. The bill was ordered engrossed.

Representative Behning, who had been excused, was present.

### House Bill 1308

Representative Cheatham called down House Bill 1308 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1308-1)

Mr. Speaker: I move that House Bill 1308 be amended to read as follows:

Replace the effective dates in SECTION 1 through 9 with [EFFECTIVE UPON PASSAGE].

Page 1, line 7, delete "December 31, 2008," and insert **"May 10, 2007,"**.

Page 2, line 10, delete "December 31, 2008," and insert **"May 10, 2007,"**.

Page 4, line 31, delete "December 31, 2008," and insert **"May 10, 2007,"**.

Page 8, line 26, delete "December 31," and insert **"May 10,"**.

Page 8, line 27, delete "2008," and insert **"2007,"**.

Page 9, after line 32, begin a new paragraph and insert: **"SECTION 10. An emergency is declared for this act."**

(Reference is to HB 1308 as printed February 20, 2007.)

NIEZGODSKI

Upon request of Representatives Niezgodski and Grubb, the Speaker ordered the roll of the House to be called. Roll Call 249: yeas 51, nays 42. Motion prevailed. The bill was ordered engrossed.

### House Bill 1221

Representative Cheney called down House Bill 1221 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1221-2)

Mr. Speaker: I move that House Bill 1221 be amended to read as follows:

Page 4, after line 7, begin a new paragraph and insert:

**"SECTION 2. IC 22-4-10-3, AS AMENDED BY P.L.108-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. Except as**

**provided in section 1(b) through 1(e) of this chapter, each employer shall pay contributions equal to five and six-tenths percent (5.6%) of wages, except as otherwise provided in IC 22-4-11-2, IC 22-4-11-2.5, IC 22-4-11-3, IC 22-4-11.5, and IC 22-4-37-3.**

**SECTION 3. IC 22-4-10-6, AS AMENDED BY P.L.108-2006, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) When:**

**(1) an employing unit (whether or not an employing unit at the time of the acquisition) becomes an employer under IC 22-4-7-2(a);**

**(2) an employer acquires the organization, trade, or business, or substantially all the assets of another employer; or**

**(3) an employer transfers all or a portion of the employer's trade or business (including the employer's workforce) to another employer as described in IC 22-4-11.5-7;**

**the successor employer shall, in accordance with the rules prescribed by the department, assume the position of the predecessor with respect to all the resources and liabilities of the predecessor's experience account.**

**(b) Except as provided by IC 22-4-11.5, when:**

**(1) an employing unit (whether or not an employing unit at the time of the acquisition) becomes an employer under IC 22-4-7-2(b); or**

**(2) an employer acquires a distinct and segregable portion of the organization, trade, or business within this state of another employer;**

**the successor employer shall assume the position of the predecessor employer with respect to the portion of the resources and liabilities of the predecessor's experience account as pertains to the distinct and segregable portion of the predecessor's organization, trade, or business acquired by the successor. An application for the acquiring employer to assume this portion of the resources and liabilities of the disposing employer's experience account must be filed with the department on prescribed forms not later than thirty (30) days immediately following the disposition date or not later than ten (10) days after the disposing and acquiring employers are mailed or otherwise delivered final notice that the acquiring employer is a successor employer, whichever is the earlier date. This portion of the resources and liabilities of the disposing employer's experience account shall be transferred in accordance with IC 22-4-11.5.**

**(c) Except as provided by IC 22-4-11.5, the successor employer, if an employer prior to the acquisition, shall pay at the rate of contribution originally assigned to it for the calendar year in which the acquisition occurs, until the end of that year. If not an employer prior to the acquisition, the successor employer shall pay the rate of two and seven-tenths percent (2.7%) or the rate determined under IC 22-4-11-2.5, if applicable, unless the successor employer assumes all or part of the resources and liabilities of the predecessor employer's experience account, in which event the successor employer shall pay at the rate of contribution assigned to the predecessor employer for the period starting with the first day of the calendar quarter in which the acquisition occurs, until the end of that year. However, if a successor employer, not an employer prior to the acquisition, simultaneously acquires all or part of the experience balance of two (2) or more employers, the successor employer shall pay at the highest rate applicable to the experience accounts totally or partially acquired for the period starting with the first day of the calendar quarter in which the acquisition occurs, until the end of the year. If the successor employer had any employment prior to the date of acquisition upon which contributions were owed under IC 22-4-9-1, the employer's rate of contribution from the first of the year to the first day of the calendar quarter in which the acquisition occurred would be two and seven-tenths percent (2.7%) or the rate determined under IC 22-4-11-2.5, if applicable.**

SECTION 4. IC 22-4-10.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Skills 2016 training assessments accrue and are payable by each employer under section 3 of this chapter for each calendar year in which the employer is subject to IC 22-4-10-1 with respect to wages for employment.

(b) Skills 2016 training assessments are due and payable to the department by each employer for the purposes set forth in section 2 of this chapter and are not deductible, in whole or in part, from the wages of individuals in the service of the employer.

(c) Skills 2016 training assessments paid under this chapter:

- (1) shall not be credited to the employer's experience account; and
- (2) do not affect the computation of an employer's contribution rate under IC 22-4-11-2 or **IC 22-4-11-2.5.**

SECTION 5. IC 22-4-11-2, AS AMENDED BY P.L.108-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in IC 22-4-11.5, the department shall for each year determine the contribution rate applicable to each employer.

(b) The balance shall include contributions with respect to the period ending on the computation date and actually paid on or before July 31 immediately following the computation date and benefits actually paid on or before the computation date and shall also include any voluntary payments made in accordance with IC 22-4-10-5:

- (1) for each calendar year, an employer's rate shall be determined in accordance with the rate schedules in section 3 or 3.3 of this chapter; and
- (2) for each calendar year, an employer's rate shall be two and seven-tenths percent (2.7%), except as otherwise provided in **section 2.5 of this chapter** or IC 22-4-37-3, unless and until:

(A) the employer has been subject to this article throughout the thirty-six (36) consecutive calendar months immediately preceding the computation date; and

(B) there has been some annual payroll in each of the three (3) twelve (12) month periods immediately preceding the computation date.

(c) In addition to the conditions and requirements set forth and provided in subsection (b)(2)(A) and (b)(2)(B), an employer's rate shall not be less than five and six-tenths percent (5.6%) unless all required contribution and wage reports have been filed within thirty-one (31) days following the computation date and all contributions, penalties, and interest due and owing by the employer or the employer's predecessors for periods prior to and including the computation date have been paid:

- (1) within thirty-one (31) days following the computation date; or
- (2) within ten (10) days after the department has given the employer a written notice by registered mail to the employer's last known address of:
  - (A) the delinquency; or
  - (B) failure to file the reports;
 whichever is the later date.

The board or the board's designee may waive the imposition of rates under this subsection if the board finds the employer's failure to meet the deadlines was for excusable cause. The department shall give written notice to the employer before this additional condition or requirement shall apply.

(d) However, if the employer is the state or a political subdivision of the state or any instrumentality of a state or a political subdivision, or any instrumentality which is wholly owned by the state and one (1) or more other states or political subdivisions, the employer may contribute at a rate of one percent (1%) until it has been subject to this article throughout the thirty-six (36) consecutive calendar months immediately preceding the computation date.

(e) On the computation date every employer who had taxable wages in the previous calendar year shall have the employer's experience account charged with the amount determined under the following formula:

STEP ONE: Divide:

- (A) the employer's taxable wages for the preceding calendar year; by
- (B) the total taxable wages for the preceding calendar year.

STEP TWO: Multiply the quotient determined under STEP ONE by the total amount of benefits charged to the fund under section 1 of this chapter.

(f) One (1) percentage point of the rate imposed under subsection (c) or the amount of the employer's payment that is attributable to the increase in the contribution rate, whichever is less, shall be imposed as a penalty that is due and shall be deposited upon collection into the special employment and training services fund established under IC 22-4-25-1. The remainder of the contributions paid by an employer pursuant to the maximum rate shall be:

- (1) considered a contribution for the purposes of this article; and
- (2) deposited in the unemployment insurance benefit fund established under IC 22-4-26.

SECTION 6. IC 22-4-11-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. (a) This section applies to the determination of contribution rates for a calendar year in which the balance in the fund as of the determination date is at least:**

- (1) an amount sufficient for Schedule B to apply as the schedule of rates, as determined under section 3 of this chapter; plus**
- (2) an amount that maintains the fund ratio (as determined by section 3 of this chapter) at the lowest percentage required for Schedule B to apply after the reduced contribution rate described in subsection (b) is implemented.**

**(b) Except as otherwise provided in IC 22-4-11.5 or IC 22-4-37-3, the contribution rate for an employer that would otherwise pay the contribution rate under section 2(b)(2) of this chapter is one percent (1%) rather than the contribution rate determined under section 2(b)(2) of this chapter.**

**(c) If this section is used to determine employer contribution rates for a calendar year, for each subsequent calendar year the contribution rate for an employer that would otherwise pay the contribution rate under section 2(b)(2) of this chapter is one percent (1%) rather than the contribution rate determined under section 2(b)(2) of this chapter, except as otherwise provided in IC 22-4-11.5 or IC 22-4-37-3, unless and until:**

- (1) the employer has been subject to this article throughout the thirty-six (36) consecutive calendar months immediately preceding the computation date; and**
- (2) there has been some annual payroll in each of the three (3) twelve (12) month periods immediately preceding the computation date.**

**(d) This section expires July 1, 2012.**

SECTION 7. IC 22-4-37-3, AS AMENDED BY P.L.108-2006, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Should:

- (1) the Congress of the United States amend, repeal, or authorize the implementation of a demonstration project under 29 U.S.C. 49 et seq., 26 U.S.C. 3301 through 3311, 42 U.S.C. 301 et seq., or 26 U.S.C. 3101 through 3504, or any statute or statutes supplemental to or in lieu thereof or any part or parts of said statutes, or should any or all of



said statutes or any part or parts thereof be held invalid, to the end and with such effect that appropriations of funds by the said Congress and grants thereof to the state for the payment of costs of administration of the department are or no longer shall be available for such purposes;

(2) the primary responsibility for the administration of 26 U.S.C. 3301 through 26 U.S.C. 3311 be transferred to the state as a demonstration project authorized by Congress; or

(3) employers in Indiana subject to the payment of tax under 26 U.S.C. 3301 through 3311 be granted full credit upon such tax for contributions or taxes paid to the department;

then, beginning with the effective date of such change in liability for payment of such federal tax and for each year thereafter, the normal contribution rate under this article shall be established by the department and may not exceed three and one-half percent (3.5%) per year of each employer's payroll subject to contribution. With respect to each employer having a rate of contribution for such year pursuant to terms of IC 22-4-11-2(b)(2)(A), IC 22-4-11-2(b)(2)(B), IC 22-4-11-2(c), **IC 22-4-11-2.5**, IC 22-4-11-3, IC 22-4-11-3.3, and IC 22-4-11.5, to the rate of contribution, as determined for such year in which such change occurs, shall be added not more than eight-tenths percent (0.8%) as prescribed by the department.

(b) The amount of the excess of tax for which such employer is or may become liable by reason of this section over the amount which such employer would pay or become liable for except for the provisions of this section, together with any interest or earnings thereon, shall be paid and transferred into the employment and training services administration fund to be disbursed and paid out under the same conditions and for the same purposes as is other money provided to be paid into such fund. If the commissioner shall determine that as of January 1 of any year there is an excess in said fund over the money and funds required to be disbursed therefrom for the purposes thereof for such year, then and in such cases an amount equal to such excess, as determined by the commissioner, shall be transferred to and become part of the unemployment insurance benefit fund, and such funds shall be deemed to be and are hereby appropriated for the purposes set out in this section.

**SECTION 8. [EFFECTIVE UPON PASSAGE] IC 22-4-10-3, IC 22-4-10-6, IC 22-4-10.5-4, IC 22-4-11-2, and IC 22-4-37-3, all as amended by this act, and IC 22-4-11-2.5, as added by this act, apply to the determination of rates of employer contributions to the unemployment compensation system for calendar years beginning after December 31, 2007.**

**SECTION 9. An emergency is declared for this act."**

(Reference is to HB 1221 as printed February 20, 2007.)

**BORROR**

Upon request of Representatives Borrer and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 250: yeas 46, nays 49. Motion failed. The bill was ordered engrossed.

### House Bill 1173

Representative Cochran called down House Bill 1173 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

### House Bill 1161

Representative Tyler called down House Bill 1161 for second reading. The bill was read a second time by title.

**HOUSE MOTION**  
(Amendment 1161-1)

Mr. Speaker: I move that House Bill 1161 be amended to read as follows:

Page 2, line 26, delete ", journeyman" and insert ".".

Page 2, delete lines 27 through 28.

Page 8, line 5, delete ":".

Page 8, line 6, delete "(A)".

Page 8, line 6, delete ";" and insert ".".

Page 8, run in lines 5 through 6.

Page 8, delete lines 7 through 8.

Page 10, line 40, delete "AND".

Page 10, delete line 41.

Page 11, line 1, delete ":".

Page 11, line 2, delete "(1)".

Page 11, run in lines 1 through 2.

Page 11, line 4, delete "; or" and insert ".".

Page 11, delete line 5.

Page 12, delete lines 12 through 17.

Page 12, line 18, delete "5." and insert "4.".

Page 12, line 19, delete ":".

Page 12, line 20, delete "(1)".

Page 12, line 20, delete ";" and insert ".".

Page 12, run in lines 19 through 20.

Page 12, delete lines 21 through 22.

Page 12, line 23, delete "6." and insert "5.".

Page 12, delete lines 25 through 27.

Page 12, line 28, delete "8." and insert "6.".

Page 12, delete lines 36 through 42.

Page 13, delete lines 1 through 6.

Page 13, line 7, delete "4." and insert "2.".

Page 13, delete lines 15 through 32.

Page 13, line 33, delete "7." and insert "3.".

Page 13, line 35, delete "8." and insert "4.".

Page 13, line 42, delete "9." and insert "5.".

Page 14, line 3, delete "10." and insert "6.".

Page 14, line 9, delete "or a".

Page 14, line 10, delete "journeyman automatic fire sprinkler fitter".

Page 14, delete lines 18 through 26.

Page 14, line 27, delete "4." and insert "3.".

Page 15, line 6, delete "or engages in the".

Page 15, delete line 7.

Page 15, line 26, delete ":" and insert ",".

Page 15, line 27, delete "(1)".

Page 15, line 29, delete "; or".

Page 15, delete line 30.

Page 15, run in lines 26 through 31.

Page 15, line 31, delete "or IC 25-16.5-3-2, both" and insert ",".

Page 15, line 34, delete "or a certificate of registration as a journeyman" and insert ".".

Page 15, delete lines 35 through 41.

Page 15, line 42, delete "(d)" and insert "(c)".

(Reference is to HB 1161 as printed February 20, 2007.)

**TORR**

Upon request of Representatives Torr and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 251: yeas 47, nays 47. Motion failed. The bill was ordered engrossed.

### House Bill 1083

Representative Orentlicher called down House Bill 1083 for second reading. The bill was read a second time by title.

**HOUSE MOTION**  
(Amendment 1083-1)

Mr. Speaker: I move that House Bill 1083 be amended to read as follows:

Page 1, delete lines 1 through 17.

Delete pages 2 through 7.

Page 8, delete lines 1 through 37.

Page 9, delete lines 7 through 13.

Page 9, line 14, delete "3." and insert "2.".

Page 9, line 19, delete "4." and insert "3.".

Page 9, line 22, delete "5." and insert "4.".

Page 10, line 5, delete "6." and insert "5.".

Page 10, line 11, delete "7." and insert "6."  
 Page 10, line 19, delete "8." and insert "7."  
 Page 10, line 24, delete "9." and insert "8."  
 Page 10, line 42, delete "10." and insert "9."  
 Page 11, line 2, delete "9" and insert "8".  
 Page 11, line 7, delete "11." and insert "10".  
 Page 11, line 8, delete "9" and insert "8".  
 Page 11, line 16, delete "12." and insert "11".  
 Page 11, line 24, delete "13." and insert "12".  
 Page 11, line 31, delete "14." and insert "13".  
 Page 11, line 40, delete "9" and insert "8".  
 Page 11, delete lines 41 through 42.  
 Page 12, delete lines 1 through 26.  
 Page 12, line 27, delete "(a) IC 6-3-1-3.5,".  
 Page 12, delete lines 28 through 29.  
 Page 12, line 30, delete "(b)".  
 Page 12, run in lines 27 through 30.  
 Renumber all SECTIONS consecutively.  
 (Reference is to HB 1083 as printed February 20, 2007.)

T. HARRIS

Upon request of Representatives T. Harris and Bosma, the Speaker ordered the roll of the House to be called. Roll Call 252: yeas 45, nays 48. Motion failed. The bill was ordered engrossed.

The House recessed until the fall of the gavel.

## RECESS

The House reconvened at 4:05 p.m. with the Speaker in the Chair.

On the request of Representative Bosma, the Speaker ordered the roll of the House to be called to determine the presence or absence of a quorum. Roll Call 253: 74 present.

## ENGROSSED HOUSE BILLS ON THIRD READING

### Engrossed House Bill 1468

Representative Welch called down Engrossed House Bill 1468 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 254: yeas 90, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Becker and Simpson.

### Engrossed House Bill 1835

Representative VanHaaften called down Engrossed House Bill 1835 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning gaming and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

On the motion of Representative Whetstone, the previous question was called. Roll Call 255: yeas 54, nays 39. The bill was declared passed. Representative Herrell was excused from voting, pursuant to House Rule 46. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Jackman and Lanane.

With consent of the members, the Speaker returned to bills on second reading.

## HOUSE BILLS ON SECOND READING

### House Bill 1008

Representative C. Brown called down House Bill 1008 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1008-10)

Mr. Speaker: I move that House Bill 1008 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-3.1-31 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

#### Chapter 31. Employee Wellness Program Tax Credit

Sec. 1. As used in this chapter, "pass through entity" means:

- (1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);
- (2) a partnership;
- (3) a limited liability company; or
- (4) a limited liability partnership.

Sec. 2. As used in this chapter, "state tax liability" means a taxpayer's total tax liability that is incurred under:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- (2) IC 6-5.5 (the financial institutions tax); and
- (3) IC 27-1-18-2 (the insurance premiums tax);

as computed after the application of the credits that under IC 6-3.1-1-2 are to be applied before the credit provided by this chapter.

Sec. 3. As used in this chapter, "taxpayer" means an individual or entity that has any state tax liability.

Sec. 4. As used in this chapter, "wellness program" means a program that rewards:

- (1) overweight employees for losing weight and all employees for maintaining a healthy weight; or
- (2) employees for not using tobacco.

Sec. 5. A taxpayer is entitled to a credit against the taxpayer's state tax liability for a taxable year in an amount equal to fifty percent (50%) of the costs incurred by the taxpayer during the taxable year for providing a wellness program for the taxpayer's employees during the taxable year.

Sec. 6. If a pass through entity is entitled to a credit under section 5 of this chapter but does not have state tax liability against which the tax credit may be applied, a shareholder, partner, or member of the pass through entity is entitled to a tax credit equal to:

- (1) the tax credit determined for the pass through entity for the taxable year; multiplied by
- (2) the percentage of the pass through entity's distributive income to which the shareholder, partner, or member is entitled.

Sec. 7. (a) If the credit provided by this chapter exceeds the taxpayer's state tax liability for the taxable year for which the credit is first claimed, the excess may be carried forward to succeeding taxable years and used as a credit against the taxpayer's state tax liability during those taxable years. Each time that the credit is carried forward to a succeeding taxable year, the credit is to be reduced by the amount that was used as a credit during the immediately preceding taxable year.

(b) A taxpayer is not entitled to any carryback or refund of any unused credit.

Sec. 8. To receive the credit provided by this chapter, a

taxpayer must claim the credit on the taxpayer's state tax return or returns in the manner prescribed by the department. The taxpayer shall submit to the department all information that the department determines is necessary for the calculation of the credit provided by this chapter."

Page 15, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 20. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "corporation" refers to the health and hospital corporation of Marion County.

(b) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(c) As used in this SECTION, "program" refers to the health care management program established under subsection (d).

(d) Before June 1, 2008, the office shall establish a demonstration project for a health care management program to allow the office to do the following:

(1) Offer to Medicaid recipients who reside in Marion County the opportunity to receive Medicaid services provided solely by the corporation, including any clinic operated by the corporation. The offer must be extended to a number of Medicaid recipients that is sufficiently large to result in a percentage of recipients accepting the offer to provide meaningful data to guide the establishment and implementation of the program under subdivision (2).

(2) Require the corporation to establish and implement a program of health care management applying to all Medicaid recipients in Indiana and modeled on the United States Department of Veterans Affairs Quality Enhancement Research Initiative.

(3) Include in the program payment incentives for:

(A) health care providers; and

(B) administrators;

of the corporation to reward the achievement of objectives established for the program.

(e) The office and the corporation shall study the impact of implementing the program under subsection (d)(2), including the impact the program has on the:

(1) quality; and

(2) cost;

of health care provided to Medicaid recipients in Indiana.

(f) The office shall consult with the Regenstrief Institute for Health Care in developing, implementing, and studying the program.

(g) The office shall apply to the United States Department of Health and Human Services for any amendment to the state Medicaid plan or demonstration waiver that is needed to implement this SECTION. The corporation shall assist the office in requesting the amendment or demonstration waiver and, if the amendment or waiver is approved, establishing and implementing the amendment or waiver.

(h) The office may not implement the amendment or waiver until the office files an affidavit with the governor attesting that the amendment or waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not more than five (5) days after the office is notified that the amendment or waiver is approved.

(i) If the office receives approval for the amendment or waiver under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (h), the office shall implement the amendment or waiver not more than sixty (60) days after the governor receives the affidavit.

(j) The office may adopt rules under IC 4-22-2 to implement this SECTION.

(k) The office shall, before July 1 of each year, report to the legislative council in an electronic format under IC 5-14-6 concerning the demonstration project developed and

implemented under this SECTION.

(l) This SECTION expires January 1, 2013.

SECTION 21. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "corporation" refers to the health and hospital corporation of Marion County.

(b) As used in this SECTION, "insurer" includes the following:

(1) An insurer (as defined in IC 27-8-11-1).

(2) An administrator licensed under IC 27-1-25.

(3) A health maintenance organization (as defined in IC 27-13-1-19).

(4) A person that pays or administers claims on behalf of an insurer or a health maintenance organization.

(c) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(d) As used in this SECTION, "small employer" has the meaning set forth in IC 27-8-15-14.

(e) Before June 1, 2008, the office shall develop, with the corporation, a pilot project through which small employers that are unable to afford to offer health care coverage for employees of the small employers may obtain access to affordable health care coverage for the employees.

(f) The office may adopt rules under IC 4-22-2 to implement this SECTION.

(g) If the pilot project results in the availability of health care coverage to small employer groups through the pilot project at a premium rate that is at least twenty percent (20%) less than a comparable health benefit plan available to small employer groups in Indiana, an insurer may not enter into or enforce an agreement with the corporation that contains a provision that:

(1) prohibits, or grants the insurer an option to prohibit, the corporation from contracting with another insurer to accept lower payment for health care services than the payment specified in the agreement;

(2) requires, or grants the insurer an option to require, the corporation to accept a lower payment from the insurer if the corporation agrees with another insurer to accept lower payment for health care services;

(3) requires, or grants the insurer an option to require, termination or renegotiation of the agreement if the corporation agrees with another insurer to accept lower payment for health care services; or

(4) requires the corporation to disclose the corporation's reimbursement rates under contracts with other insurers.

(h) The office shall report to the legislative council in an electronic format under IC 5-14-6 concerning the development and implementation of a pilot project under this SECTION before December 1, 2008.

(i) This SECTION expires December 31, 2013.

SECTION 22. [EFFECTIVE JULY 1, 2007] IC 6-3.1-31, as added by this act, applies to taxable years beginning after December 31, 2007."

Renumber all SECTIONS consecutively.

(Reference is to HB 1008 as printed February 20, 2007.)

ORENTLICHER

Representative Whetstone rose to a point of order, citing Rule 118, stating that the motion was attempting to incorporate into House Bill 1008 a bill pending before the House. After discussion of the point of order, Representative Whetstone withdrew the point of order.

The question then was on the motion of Representative Orentlicher (1001-10). Upon request of Representatives Orentlicher and Crawford, the Speaker ordered the roll of the House to be called. Roll Call 256: yeas 49, nays 44. Motion prevailed.

Representative C. Brown withdrew the call of Engrossed House Bill 1008 temporarily.

### House Bill 1019

Representative Duncan called down House Bill 1019 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1019-1)

Mr. Speaker: I move that House Bill 1019 be amended to read as follows:

Page 1, line 4, delete "rights" and insert "**rights,**".

Page 2, between lines 18 and 19, begin a new paragraph and insert:

**"(g) It is a defense to a prosecution under this section that the accused person:**

**(1) was threatened; or**

**(2) reasonably believed the child was threatened; which resulted in the child not being timely returned to the other parent resulting in a violation of a child custody order."**

(Reference is to HB 1019 as printed February 20, 2007.)

FOLEY

Motion prevailed. The bill was ordered engrossed.

### House Bill 1036

Representative Kersey called down House Bill 1036 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

### House Bill 1044

Representative Cheney called down House Bill 1044 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1044-1)

Mr. Speaker: I move that House Bill 1044 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

**"SECTION 1. IC 9-18-19-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) This subsection expires December 31, 2007. The bureau shall design and issue a passenger motor vehicle license plate that will designate the vehicle as being registered to a person who has received a Purple Heart decoration that is awarded to a person who suffers an injury while serving as a member of the armed forces of the United States.**

**(b) Effective January 1, 2008, the bureau shall design and issue a passenger motor vehicle license plate and a motorcycle license plate that will designate the passenger motor vehicle or motorcycle as being registered to an individual who has received a Purple Heart decoration that is awarded to an individual who is wounded in action against an enemy of the United States or as a result of an act of an enemy of the United States if the wound necessitates treatment by a medical officer.**

**SECTION 2. IC 9-18-19-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. A Purple Heart license plate must be displayed on a passenger motor vehicle or motorcycle registered by a person to an individual described in section 2 of this chapter."**

Renumber all SECTIONS consecutively.

(Reference is to HB 1044 as printed February 20, 2007.)

SOLIDAY

Motion prevailed. The bill was ordered engrossed.

### House Bill 1067

Representative Crooks called down House Bill 1067 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1067-1)

Mr. Speaker: I move that House Bill 1067 be amended to read as follows:

Page 4, after line 26, begin a new paragraph and insert:

**"SECTION 3. [EFFECTIVE JULY 1, 2007] (a) As used in this SECTION, "committee" refers to the interim study committee on the structure of the Indiana state teachers' retirement fund established by this SECTION.**

**(b) There is established the interim study committee on the structure of the Indiana state teachers' retirement fund. The committee shall study the structure of the Indiana state teachers' retirement fund established by IC 5-10.4-2-1.**

**(c) The committee shall operate under the policies governing study committees adopted by the legislative council.**

**(d) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including final reports.**

**(e) This SECTION expires December 31, 2007."**

(Reference is to HB 1067 as printed February 20, 2007.)

THOMPSON

Motion prevailed. The bill was ordered engrossed.

The Speaker yielded the gavel to the Deputy Speaker Pro Tempore, Representative E. Harris.

### House Bill 1581

Representative Bischoff called down House Bill 1581 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1581-1)

Mr. Speaker: I move that House Bill 1581 be amended to read as follows:

Page 1, line 11, delete "or".

Page 1, line 12, delete "six (6) partial school days;" and insert **"the equivalent of three (3) full school days taken in one-half (1/2) day increments; or**

**(3) any combination of full days and one-half (1/2) days that equals not more than three (3) full days;"**.

Page 1, line 13, delete "but not both,".

Page 1, line 14, delete "activities or parent-teacher conferences" and insert **"activities."**

Page 1, delete lines 15 through 17.

Page 2, delete lines 1 through 3.

Page 2, line 4, delete "(e)" and insert **"(d)"**.

Page 2, delete lines 7 through 10.

Renumber all SECTIONS consecutively.

(Reference is to HB 1581 as printed February 20, 2007.)

ROBERTSON

Motion prevailed.

#### HOUSE MOTION (Amendment 1581-2)

Mr. Speaker: I move that House Bill 1581 be amended to read as follows:

Page 2, line 5, after "(c)" insert **"for parent-teacher conferences"**.

Page 2, between lines 6 and 7, begin a new paragraph and insert:

**"(f) A full day or partial day during which students are dismissed under subsection (c) for professional development activities shall not be counted toward student instructional days under section 3 of this chapter."**

(Reference is to HB 1581 as printed February 20, 2007.)  
BEHNING

Motion failed. The bill was ordered engrossed.

### House Bill 1525

Representative Murphy called down House Bill 1525 for second reading. The bill was read a second time by title.

#### HOUSE MOTION (Amendment 1525-1)

Mr. Speaker: I move that House Bill 1525 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 24-9-3-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 10. A creditor who advertises a home loan shall comply with the advertising requirements concerning credit under 12 CFR 226.24 (Regulation Z of the Board of Governors of the Federal Reserve System to implement the federal Truth in Lending Act (15 U.S.C. 1601 et seq.)).**"

Renumber all SECTIONS consecutively.

(Reference is to HB 1525 as printed February 16, 2007.)

MURPHY

Motion prevailed. The bill was ordered engrossed.

### House Bill 1359

Representative Saunders called down House Bill 1359 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

### House Bill 1008

Representative C. Brown called down House Bill 1008 for second reading. The bill was reread a second time by title.

#### HOUSE MOTION (Amendment 1008-5)

Mr. Speaker: I move that House Bill 1008 be amended to read as follows:

Page 24, between lines 27 and 28, begin a new paragraph and insert:

"SECTION 24. IC 16-41-37-2.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 2.1. As used in this section, "public place" means an area where the public is invited or where the public is permitted. The term does not include a private residence or private vehicle.**

SECTION 25. IC 16-41-37-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 4. A person who smokes:**

- (1) in a public building, except in an area designated as a smoking area under section 5 of this chapter;
- (2) in the retail area of a grocery store or drug store that is designated as a nonsmoking area by the store's proprietor;
- (3) in the dining area of a restaurant that is designated and posted as the restaurant's nonsmoking area by the restaurant's proprietor; or place; or
- (4) (2) in a school bus during a school week or while the school bus is being used for a purpose described in section 2.3(3) of this chapter;

commits a Class B infraction. However, the violation is a Class A infraction if the person has at least three (3) previous unrelated judgments for violating this section that are accrued within the twelve (12) months immediately preceding the violation.

SECTION 26. IC 16-41-37-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 6. (a) The official in charge of a public building shall do the following:**

(1) Post conspicuous signs that read "Smoking Is Prohibited By State Law Except In Designated Smoking Areas" or other similar language;

(2) (1) Request persons who are smoking in violation of section 4 of this chapter to refrain from smoking.

(3) (2) Remove a person who is smoking in violation of section 4 of this chapter and fails to refrain from smoking after being requested to do so.

(b) The proprietor of a restaurant shall, under sections 4 and 5 of this chapter, post conspicuous signs at each entrance to the restaurant, informing the public of the establishment's smoking policy."

Page 34, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 34. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2007]: IC 16-18-2-318.1; IC 16-41-37-3.1; IC 16-41-37-5; IC 16-41-37-7; IC 16-41-37-8."

Renumber all SECTIONS consecutively.

(Reference is to HB 1008 as printed February 16, 2007.)

WALORSKI

Upon request of Representatives Walorski and Saunders, the Speaker ordered the roll of the House to be called. Roll Call 257: yeas 33, nays 60. Motion failed.

#### HOUSE MOTION (Amendment 1008-3)

Mr. Speaker: I move that House Bill 1008 be amended to read as follows:

Page 3, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 4. IC 7.1-3-18.5-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 8. A person may sell tobacco products only during the hours during which it is a curfew violation under IC 31-37-3-2(a).**"

Renumber all SECTIONS consecutively.

(Reference is to HB 1008 as printed February 20, 2007.)

BUCK

Motion failed. The bill was ordered engrossed.

With consent of the members, the Speaker returned to bills on third reading.

## ENGROSSED HOUSE BILLS ON THIRD READING

### Engrossed House Bill 1821

Representative Klinker called down Engrossed House Bill 1821 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 258: yeas 89, nays 3. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Miller, Alting, Rogers, and Sipes.

## OTHER BUSINESS ON THE SPEAKER'S TABLE

### PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on Representative T. Harris's second reading amendment to House Bill 1083, Roll Call 252, on February 23, 2007. In support of this petition, I submit the following reason:

"I was present in the Chamber, but when I attempted to vote, the machine had closed. I intended to vote nay."

GOODIN

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 252 to 45 yeas, 48 nays.*]

#### HOUSE MOTION

Mr. Speaker: I move that Representative Welch be added as coauthor of House Bill 1008.

C. BROWN

Motion prevailed.

#### HOUSE MOTION

Mr. Speaker: I move that Representative Fry be removed as author of House Bill 1359, Representative Saunders be removed as coauthor, Representative Saunders be substituted as author, and Representative Fry be added as coauthor.

FRY

Motion prevailed.

#### HOUSE MOTION

Mr. Speaker: I move that Representatives Fry and Ripley be added as coauthors of House Bill 1452.

KLINKER

Motion prevailed.

#### HOUSE MOTION

Mr. Speaker: I move that Representatives Elrod and Crawford be added as coauthors of House Bill 1459.

PORTER

Motion prevailed.

#### HOUSE MOTION

Mr. Speaker: I move that Representative GiaQuinta be removed as author and Representative Crawford as coauthor of House Bill 1484, Representative Crawford be substituted as author, and Representative GiaQuinta be added as coauthor.

GIA QUINTA

Motion prevailed.

#### HOUSE MOTION

Mr. Speaker: I move that Representatives Behning, Soliday, and Cheatham be added as coauthors of House Bill 1489.

CHENEY

Motion prevailed.

On the motion of Representative Bosma, the House adjourned at 6:00 p.m., this twenty-third day of February, 2007, until Monday, February 26, 2007, at 9:00 a.m.

B. PATRICK BAUER

Speaker of the House of Representatives

CLINTON McKAY

Principal Clerk of the House of Representatives